Annual Review of Public Utilities (Pages 16 to 32)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

CANADIAN MINING NEWS DEPARTMENT ON PAGES 14-15

The Canadian Newspaper for Business Men and Investors

Vol. XXVIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, MARCH 10, 1934 | 10c a Copy; $5.00 a Year | No. 10

The Nation's Business

Parliamentary Investigations Not Always Just
Resemble Ancient Torture Chambers
Empire Migration Discussed by British Paper

Parliamentary Probes Badly Need Reform

MUCH good and much harm is done by political committees of investigation such as the Stevens enquiry into mass buying or the U. S. Senate committee investigating the New York Stock Market.

That governing bodies should have the privilege of probing deeply into problems that are the subject of legislation is highly desirable. It is better that the facts of any situation should be known before legislation is passed than that they should come to light only after statutes are in force. And even after laws have been passed their immediate and their incidental effects should be examined.

Such legislative committees are a safety valve of the social and economic system. Unpleasant sores are brought to light where they can be treated and often cured.

* * *

IN PRINCIPLE sound, parliamentary committees are in practice often dangerous and unjust. These evils can be fairly charged against many of those that have bravely sat, or are now sitting, including the Stevens enquiry at Ottawa; they would be almost certain to show in the proposed investigation of the financial affiliations of Canadian bank directors:

1. They enable ministers to make a pretence of searching for evils to correct when in many cases the evils could be quietly studied and ended by governmental departments under existing legislation.

2. They enable serious but often thoroughly unjust charges to be made against reputable individuals or institutions without providing for an opportunity of cross-examination of witnesses by those injured. And while those named are always given a chance to reply, the answer to a false allegation never quite catches up with the charge itself.

3. They are bound by no rules of evidence. Second-hand "affidavits" and charges are presented that can be widely published in newspaper headlines with complete protection to all parties except those against whom the slanders are directed.

4. The committees are usually "chairmanned" or heavily packed with the parties who originally demanded the investigation with the result that the committees comprise in effect plaintiff, prosecuting attorney, judge and jury all in one.

5. Having some political purpose in most instances there is a disposition to play up the facts that are sensational regardless of their relative weight or importance.

* * *

TO THESE injustices there is of course only one remedy. That is for the members of parliament, and particularly the chairman, who sit on the committee, to approach their jobs not as inquisitors, not as private detectives hired to make a case, but as independent men of judicial spirit. Much of the evidence should be taken in secret and published only after its bona fides had been established. Any private individual or firm that is attacked before one of these committees should be permitted the privilege of cross-examining the witnesses. And no committee sitting in public hearings should ever be headed by a man who has set himself up as the prosecuting attorney in the case.

At the present time parliamentary committees resemble the torture chambers of the medieval days where suspected persons were sentenced to death if they confessed and tortured to death if they did not.

* * *

Time to Reconsider Empire Migration

WHATEVER material for debate the subject of immigration may supply, the essential problem can be expressed, as the London Times has done it, in a single brief sentence. The Times believes the re-distribution of population is an urgent necessity. So it says: "Great Britain is overpeopled while there is not one of the Dominions which has the population needed to carry its overhead equipment, political, social and material."

The best form of migration, as

(Continued on page 2, col. 4)

QUEBEC BODIES DEFAULT DEBTS OF $15,062,725

Default 3 1/3% Municipal Bonds — Better Record Than Ontario

79 DEFAULTERS

Municipal Commission Valuable — Province to Make Tax Sales Compulsory to Aid Municipalities

Gross municipal debt in default in the Province of Quebec amounts to approximately $15,062,725, according to a list of defaulting municipalities furnished to The Financial Post by the Quebec Municipal Commission. The list, comprised of 79 municipal, educational and religious corporations, is published herewith.

The Quebec record is considerably better than that of Ontario, where nearly $100,000,000, or almost 20 per cent, of the municipal debt is in default. In Quebec, The Financial Post estimates that approximately 3 1/3 per cent is in default. Figures on the total debt for recent years are not available, but in 1930 the funded municipal debt was $396,078,156. This is estimated to have increased to at least $450,000,000; and default of some $15,000,000 of this would mean a proportion about 3 1/3 per cent.

Bondholders and creditors of Quebec municipalities give considerable credit to the Quebec Municipal Commission for this comparatively good showing. This commission has been operating for about two years. It issues periodical statements on the affairs of municipalities under its supervision and keeps in close touch with all municipalities in the province. This is done through travelling inspector-auditors, scrutiny of financial statements, and power to control even the smallest municipal borrowings.

Going Farther

Quebec is now expected to go even farther in its efforts to maintain municipal credit on a satisfactory basis. Premier L. A. Taschereau has given notice of a bill intended to protect municipalities against over-indulgence of their own taxpayers. Under present law, municipalities have the right, but are not obliged, to sell property on which taxes have not been paid for two years. The new bill would compel municipalities to sell such property unless the owner goes to a Superior Court judge and obtains a decision acknowledging inability to pay taxes.

The intention of the measure is to help municipalities by relieving them of the burden of responsibility for tax sales; and to guard against undue influence on municipal politicians. The responsibility for tax sales, therefore, would perhaps be laid at the door of the province. Mr. Taschereau has stated of this:

"The Government intends to see to it that the municipal taxes are collected, even if it means that the Government must suffer some unpopularity."

Duplication in List

The list of defaulting Quebec municipalities is divided into: municipalities, corporations, school corporations, and parish corporations. There is duplication of numbers, but not of debt; because if a municipality is in default, its school

(Continued on page 2, col. 3)

Ontario Beer Bill Soon Coming Down

Members of the Ontario Legislature rather expect that the Government's bill for extending the sale of beer and wine to hotels and restaurants under a rigorous inspection system will come down shortly after the end of the budget debate. The exact terms are awaited with great interest although it is believed that The Financial Post outline of its probable character, as made two months ago, will be found to be substantially correct.

Once satisfied as to the character of the bill, shareholders and investors in securities of brewing companies and winery companies will be mainly concerned over the time when the bill will be made effective, as all will desire to make arrangements for sales under the new conditions.

WIDE CHANGES IN U.S. TARIFF MAY RESULT

Proposed Foreign Policy Would be Revolutionary for U. S. A.

ELIMINATE VETO

By DR. GAINES T. CARTINHOUR, School of Commerce, Accounts and Finance, New York University

NEW YORK—Canadian observers of American developments will undoubtedly be interested in President Roosevelt's message to Congress asking exclusive authority to negotiate and promulgate reciprocal trade agreements. Progress in formulating a national policy to develop and extend U. S. foreign trade relations has been unfortunately delayed but the administration now officially announces its advocacy of unique and liberal legislation. A bill, which would revolutionize American tariff policy, has been prepared by government experts and is now before the House of Representatives.

It provides that whenever the president finds present duties or restrictions are burdening commerce, he has executive authority to:

(1) Enter into foreign trade agreements with foreign governments or instrumentalities; and

(2) Proclaim modification of tariff duties up to 50 per cent—either to be raised or lowered—as well as other additional import restrictions.

But this authority does not extend to transferring articles between the dutiable and free lists.

May Last Indefinitely

Such executive commercial agreements may become a permanent part of American tariff policy because while the bill provides that they shall be subject to termination at the end of three years, it also states that if not ended at that time they continue indefinitely unless terminated upon not more than six months notice. There seems to be no limit upon the length of time in which these broad powers could be utilized. This was an unexpected feature of the bill. An official interpretation of this provision indicates each agreement could have a defi-

(Continued on page 2, col. 5)

Holders of Burns Preferred Asked to Back Legal Action

"Protective Committee" Seeks Support, Claiming Offering Prospectus Was "Ambiguous"

Preferred shareholders of Burns & Co., have been circularized by Stewart Hamilton, acting as secretary of a "Preferred Shareholders' Protective Committee," asking support to such action as the committee may take in any legal proceedings that may be taken on behalf of preferred shareholders. The committee complains about the prospectus issued when the stock was offered to the public in 1928 and states their belief that shareholders have a solid ground for action for rescission of purchase of the stock or return of money paid, in an action against the corporations concerned and the parties responsible.

The letter seeks to show that there was a decrease of $2,008,569 in working capital shown in the financial statements of the present company and its predecessor, P. Burns & Co., and it is alleged that the prospectus gives an ambiguous picture of the 1927 earnings of the old company available for preferred stock dividends. Preferred shareholders endorsing action proposed by the committee are asked to deposit shares with London & Western Trusts Co., Toronto, which would have power to hypothecate stock turned in for a loan of $1 per share to pay legal charges and other costs of the shareholders' committee.

The "committee" of preferred shareholders consists of: F. J. Airey, Vancouver; W. H. Johnstone, Moose Jaw; Dr. V. H. Macaulay, Calgary; C. G. Neeve, Weston Wrigley; N.O. Wheeler, Toronto; J. L. Patterson, Dawson Creek, B.C.; F. B. Pennock, Edmonton; G. W. Stuart, Truro.

Deny Liability

Dominion Securities Corp., which underwrote the preferred shares of Burns & Co., has issued a letter to preferred shareholders covering briefly the chief points raised in the letter of the preferred shareholders' committee. This letter concludes: "The inference from the circular is clear i.e., that legal action against ourselves is contemplated. We take this opportunity to say that our prospectus was a fair and accurate presentation of the facts and that every statement in every prospectus issued by us in offering the bonds and preferred stock of Burns & Co. was carefully checked, was then believed by us to be true and we are still satisfied was true. Accordingly we are also satisfied that any action brought against us by Mr. Hamilton's committee cannot succeed."

It is further stated that: "Not one dollar was withdrawn from the assets of the enterprise by Dominion Securities Corp. directly or indirectly. Its sole gain was a regular financing commission or profit resulting from the purchase and sale of the bonds and preferred stock plus such common stock as it retained."

It is also pointed out in the Dominion Securities' letter that action brought in the name and on behalf of preferred shareholders may result in shareholders incurring a liability for substantial costs in addition to costs suggested in the circular of the committee.

CENTRAL BANK SHARES APPEAL TO INVESTORS

Ready Over-subscription of Capital Predicted

CHARGES SMALL

Record of Central Banks Has Been One of Profitable Operation

Heavy over-subscription by the public of the offering of Bank of Canada shares is expected in financial circles when the Dominion Government seeks the initial capital for Canada's central bank. With only 50,000 shares of $100 par value available it is expected that the demand will far exceed the limited supply and that the shares will immediately go to a premium.

Basis for this prediction lies in the fact that the bank will have the full support of the Federal Government for which it will act as fiscal agent and banker while it is also probable that the bank will act in the same capacities for the provincial governments. On its first day of operation the bank will start with assets and liabilities in excess of $200,000,000. With it the commercial banks must keep a reserve of at least 5 per cent of their demand and savings deposit liabilities in Canada. It will take over the entire note issue of the Dominion. It will have wide powers to buy and sell bullion, domestic securities and foreign exchange. It will pay no interest on any balances which it carries for governments or commercial banks.

Central Banks Profitable

While the primary object of the bank is not to make money the cumulative annual dividend of 6 per cent on its capital of $5,000,000 would appear to be the least of the worries of the bank's board of directors. The experience with practically all central banks throughout the world has been that they are extremely profitable. The $300,000 annual dividend requirements of the Bank of Canada should be earned by a wide margin. So wide a margin, in fact, that the shares may quickly sell at a premium and ultimately return a yield that is but slightly more than the yield to be secured on high-grade government bonds. With Dominion of Canada bonds now yielding a return of 4.32 per cent down to less than 3 per cent the shares of the bank might sell to yield 4 per cent to 4½ per cent which would mean that the shares could sell around $150. And these shares will carry no double liability to shareholders.

Dominion Gets Surplus

No estimate of the possible annual profits can be made at this time but from the first assets that the bank acquires there will be an annual income in excess of annual dividend requirements. On its first day of business the bank will take over the liability of the note issue of the Dominion and receive in compensation gold held by the Dominion and 3 per cent five-year notes the income from which will exceed by several times the dividend requirements.

That the profit motive will not predominate in the bank's operations, dividends have been kept low and any surplus earnings will be payable to the Consolidated Revenue Fund of the Dominion. In the act of incorporation it is provided that after providing proper provision for bad and doubtful debts, depreciation in assets, pension funds and dividends, any surplus shall be apportioned between the rest fund of the bank and the Consolidated Revenue Fund. As long as the rest fund is less than $5,000,000 (the paid-up capital of the bank), one-third of the annual surplus is to go to the rest fund and the remaining two-thirds to the credit of the Consolidated Revenue Fund. When rest fund is between $5,000,000 and $10,000,000, 10 per cent of each annual surplus is to be allocated to rest fund and the remaining 90 per cent to the Consolidated Revenue Fund. When the rest fund of the bank is not less than $10,000,000 all surplus earnings after dividends have been paid are to go to the Federal Government.

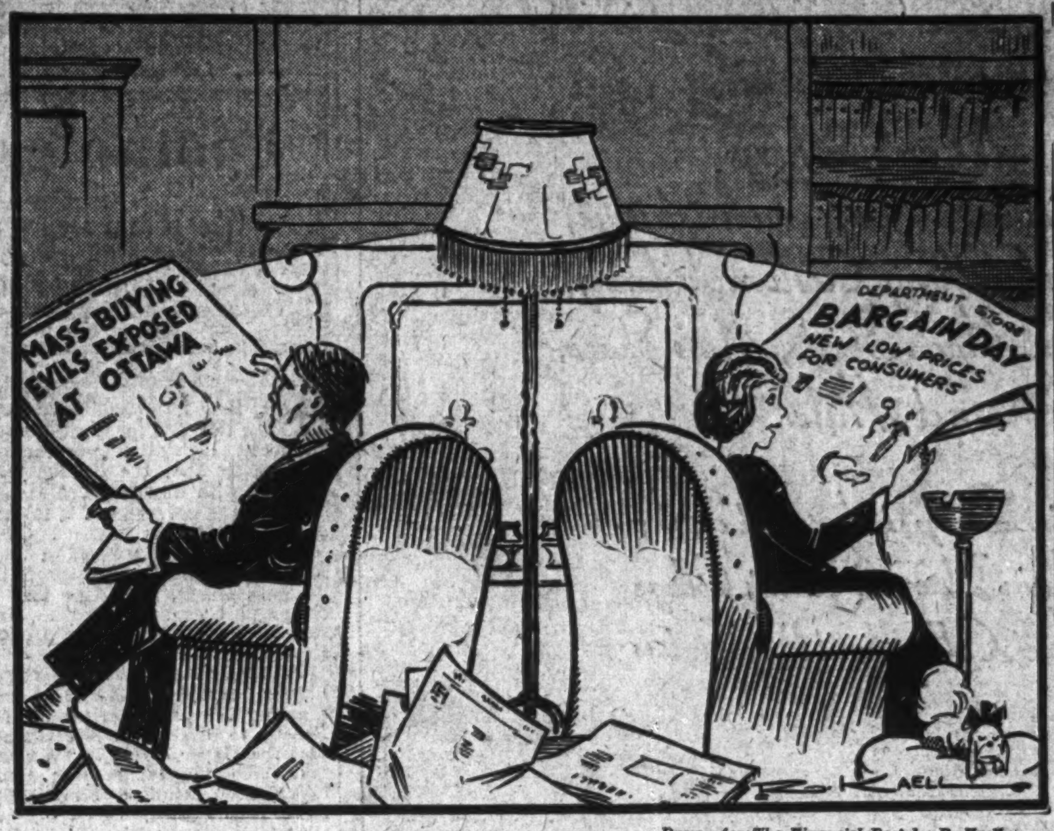
Dividend Rate is Low

These provisions are not unlike the provisions of other central banks where the shares are owned by the public except that it is usual in foreign central banks to pay shareholders larger dividends than 6 per cent. In 1930 the Bank of France paid dividends of 62 per cent to shareholders. The Bank of England now pays 12 per cent; the Bank of Spain averaged 24 per cent annually from 1922 to 1931 and paid 44 per cent in 1921; the National Bank of Belgium averaged nearly 18 per cent from 1921 to 1931; the National Bank of Hungary aid 8½ per cent in 1924, its first year of operation. The Netherlands Bank paid 12 per cent in its fiscal year ended in 1930 although it paid none in 1932.

In a series of articles on Central Banking published in The Financial Post in 1932, A. F. W. Plumptre stated:

"Profit is not among the primary objects of a central bank. It is operated in the interests of the general public. Differences of opinion may arise as to what central bank actions are in the public interest but the interests of the shareholders as such are never considered. This is possible because central banking is generally profitable and, in practice, a well run central bank's prestige is

(Continued on page 2, col. 2)



—Drawn for The Financial Post by R. Kaell.

IT'S ALL IN THE WAY YOU SEE IT

He (to himself): "Terrible!" She (to herself): "Wonderful!"

NICKEL SHARES STAGE ADVANCE ON U.K. BUYING

Recent Trading Most Active Since Early in 1930

SELL TO INDUSTRY

The steady market advance in the price of shares of International Nickel is linked by some brokers to war clouds that continue hovering over the Russia-Japanese situation. But a more important influence, some observers feel, is the forecast of higher copper prices, now freely made in London, whence much of the buying in Nickel shares comes.

While nickel is today essentially a peace-time metal, and the basis of the company's present productive activity must be credited to this peace-time demand for its products, investors cannot ignore the fact that in the event of hostilities in the far east that great interest would doubtless be centred on nickel.

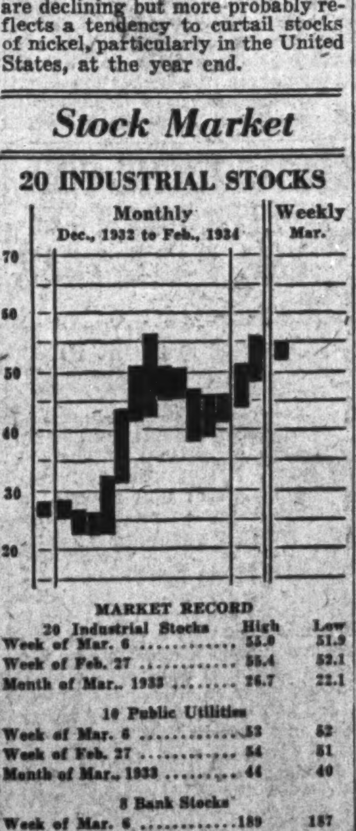
Dr. John F. Thompson, vice-president of the company in charge of operations, was at Sudbury last week. A few weeks ago the announcement was made that four additional converters were to be installed at the Copper Cliff smelter in order to synchronize the converter capacity with the other phases of the production facilities. This brings the total number of converters to twelve, adding 50 per cent to the capacity of this section of the operations. It is expected that it will be early autumn before these additional units will be in operation.

At the present time about six or seven million pounds of nickel is being produced monthly, but little of this is going out for other than peace-time purposes. If hostilities should break out there is little indication that there would be demands for nickel for battleships such as there was in years gone by but even greater uses may be now found for nickel in implements of warfare than formerly.

Trucks, airplanes and tanks all promise to use great quantities of nickel in the future and any demand for these, whether for war purposes or not, would have a corresponding effect on nickel.

The Dominion Bureau of Statistics reports lower exports of nickel for the last two months of 1933. This does not mean that exports are declining but more probably reflects a tendency to curtail stocks of nickel, particularly in the United States, at the year end.

Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Mar. 6	55.0	51.9
Week of Feb. 27	55.4	52.1
Month of Mar. 1933	26.7	22.1
10 Public Utilities		
Week of Mar. 6	53	52
Week of Feb. 27	54	51
Month of Mar. 1933	44	40
8 Bank Stocks		
Week of Mar. 6	189	187
Week of Feb. 27	189	185
Month of Mar. 1933	158	150

Conferences Continue By Insurance Men

Conferences and more conferences have marked the past week in fire and casualty insurance circles in Ontario and Quebec as the crucial month of March got under way. Final outcome of the move to bring all companies in the two provinces into all three tariff associations is still uncertain.

From an official source The Financial Post learns, however, that applications for membership in all tariff associations have been received from all companies not previously members of these bodies. The applications are of course conditional on certain claims being met by the tariff bodies. They are now under consideration by the officers of the three associations. Until the outcome of these negotiations is known the future of the "in-one-in-all" movement remains obscure, as far as central and eastern Canada is concerned.

Tied up with these deliberations is also the future of the casualty business of these companies in the west which was to have been moved as at March 1, under the aegis of the Western tariff association at Winnipeg.

FORD EXPANDS ITS OPERATIONS EAST AND WEST

Opens Canadian Assembly Plants, Sales and Service Branches

Important expansion in manufacturing and merchandising operations has been undertaken in the last month by the Ford Motor Company of Canada, Ltd., according to Wallace R. Campbell, president.

In this period, the Ford company has re-opened assembly plants at both Toronto and Winnipeg and sales and service branches at Saint John, N.B., Regina and Calgary. This expansion in Ford operations has meant re-employment of several hundred workers.

More V-8 Orders

"Our decision to resume manufacturing operations at the Toronto and Winnipeg assembly branches and to reopen the sales and service branches at Saint John, Regina and Calgary was founded partly upon the evident improvement in general business conditions throughout the country and a betterment in the attitude of the people generally, as well as upon the volume of orders which have been received by our dealers and branches since the new Ford V-8 car for 1934 was launched," says Mr. Campbell.

"Resumption of manufacturing operations at Toronto came first. This move was dictated by the heavy volume of business originating in the province and a volume of public buying which appeared to be climbing steadily toward a level with that of four years ago.

Maritimes and West Gain

"The reopening of the Saint John branch was decided upon after a careful survey of business conditions in the Maritimes, which disclosed a most hopeful upward trend in agriculture and lumbering and in the coal and steel industries.

"Resumption of assembly operations at Winnipeg followed three weeks ago. This action was made necessary by the increased volume of business originating in the prairie provinces, and continued improvement last week dictated the decision to reopen the Regina and Calgary branches."

McD. and C. Holdings Prospects Are Better

From Our Own Correspondent

MONTREAL. — Better prospects were forecast by B. B. Stevenson, president, at the annual meeting of McD. and C. Holdings. The policy of liquidating the assets slowly, he said, had been justified. The annual report and statements were approved and directors re-elected.

McD. and C. Holdings is the holding company for the bankrupt McDougall and Cowans estate.

Highlights of the week

Utilities

How sales, earnings and markets are coming back. Individual companies and the industry analyzed as to records and prospects. Pages 16 to 32

European Bonds

Enlightenment for investors on the fiscal position of the important European countries. What are the chances of recovering investments from individual borrowers? Page 3

New Banking Deal

Why shares of the proposed central bank should be oversubscribed. Page 1. Widespread effects of the bank on business, banking and bonds. How open market operations and the discount rate may work in Canada. Page 8

Stevens Probe

Running report of day by day evidence of the Ottawa investigation into mass buying. The Financial Post's exclusive summary. Page 5

Bridge River

Activity of Bridge River area gold mines. The record and prospects sketched by the mining editor who recently visited the properties. Page 32

Investor's Index

San Antonio extends ore 15
God's Lake Gold adds equipment .. 15
Brazilian debt settlement terms .. 11
Burns "protective committee" seeks support 1
War rumors boost Inter. Nickel prices 1

INDUSTRIALS, UTILITIES, ETC.

Burns & Co.	10	Dominion Tar	25
Bay-Adelaide	11	Drummond St. R.	4
Bank of Canada	1	Dominion Coal	26
Bathurst P. & P.	9	Fidelity Trusts	4
Beauharnois	4	Fraser Cos.	4
Brewing Corp.	4	Ford	1
B. C. Packers	9	Great W. Life	12
Burns & Co.	1	Grey & B. Trust	8
Can. Locomotive	5	Great W. Sadd.	4
Brazilian	9	Hunt's	4
Bruck Silk	3	Holt Renfrew	9
Can. Goodrich	4	Int. Nickel	1
Can. Rail. Term.	9	Jamaica P. Ser.	30
Can. Gen. Inv.	9	Montreal Coke	30
Can. P. & P. Inv.	5	Montreal Finance	11
Can. Celanese	4	Power Corp.	9, 30
Consumers Gas	4	Prudential Tr.	5
Can. Ind. Alc.	9	Restigouche	2
Can. Steamships	9	Shawinigan	9
Con. Oka Sand	11	St. Lawrence P.	5
C. P. R.	12	United Corps.	9
Can. Iron F.	12	Tip Top Tailors	5
Can. Wire & C.	12	Viau Biscuit	11
Dominion Stores	4	Winnipeg Elec.	30

MINES AND OILS

Am. Smelting	13	Man. & Eastern	14
Ardeen	15	Minto	14
Alexandria	14	Moffatt-Hall	14
Alsbach	14	Morning Star	14
Bobjo	14	Munroe-Croesus	14
B. R. X.	14	Porcupine Crown	14
Butte L. X. R.	14	Potter-Doal	15
B. R. X.	15	Petrol O. & G.	15
Bralorne	15	Pioneer	15
Bridge R. Cons.	15	Paymaster	14
Bradian	15	Siscoe	15
Can. Kirkland	15	St. Anthony	15
Dentonia	14	San Antonio	14
Diana Gold	14	Salmon Gold	14
Dom. Explorers	14	Tashota	14
Dawson Gold	14	Talisman	14
Dome	15	Taylor Bridge R.	15
God's Lake	14	Teck-Kirkland	15
Golden Quebec	14	Ventures	14
Hollinger	15	Wayside	15
Maple Leaf	15	Wallace Lake	14
Minto	15		

QUOTATIONS

Bonds	13	Mines	14
Grain	10	Stocks	13
Foreign Exchange	8		

SPECIAL SECTION

Public Utilities . . . Page 16 to 31

Avon R. Power	24	Jamaica P. Ser.	27
Avalon 'Phone	31	Montreal Pr.	16, 20
Barcelona Tr.	16, 24	MacLaren-Quebec	18
Brazilian Tr.	16, 24	Maritime Elec.	18
B. C. Power	16, 22	Mont. I'd Pwr.	20
Beauharnois Pwr.	20	Manitoba Pwr.	28
Bell Telephone	31	Montreal St'ge.	27
B. C. Telephone	31	Montreal Trams.	29
Calgary Pwr.	16, 27	Maritime Tel.	31
Can. Nor. Pr.	16, 22	Mexico Trams.	30
Can. Hyd.-El.	16, 22	N. B. Telephone	31
Canada Elec.	19	N'western Pwr.	26
Can. Nat. S.S.	19	National L. & P.	27
Cities Heating	21	N. B. Power	20
Collingwood Ter.	22	N'foundland Pwr.	22
Can. Niagara P.	22	N. S. Lt. & P.	16, 24
Churchill R. Pwr.	24	Ot'wa L.H.P.	16, 20
Can. Marconi	25	Ontario Hydro	25
Can. Rail & H.	25	Ottawa Val. Pr.	27
Can. Pub. Serv.	26	Ottawa Tr'n.	29
City Gas & Elec.	28	Porto Rico Pwr.	19
Consumers Gas	29	Power Corp.	22
Duke-Price Pwr.	18	Postal Tel.	29
Dom. Gas & Elec.	28	Quebec 'Phone	31
Dom. Telegraph	31	Quebec Pwr.	16, 18
East Koot. Pr.	19, 22	Shawinigan	16, 18
For. Pwr. Secs.	22	S. Can. Pwr.	16, 25
Great Lakes Pr.	28	Twin City	29
Gatineau Pwr.	21	United Secs.	27
Hydro-El. Secs.	27	Union Gas	28
Int'l. Power	19	Winn. Elec.	16, 26
Int. Utilities	21	West Koot. Pwr.	18
Int. Hydro-El.	31		

ONT. SURPLUS DUE TO CHANGE IN ACCOUNTING

Under 1932 System of Accounts, Deficit $2,489,569

CAPITALIZE RELIEF

Direct Relief Over Half of Capital Expenditures — Debt Increased by $20,862,984

Publication of the public accounts of Ontario reveals that some important changes have been made in the method of handling accounts for direct relief expenditures. As a result of these changes, ordinary expenditures for the year ended Oct. 31, 1933, are shown as $50,896,626 and revenues at $51,373,051, indicative of a surplus of $476,425.

Had the same system of accounting of direct relief outlays been employed as in the 1932 year, a deficit of at least $2,489,569 would have been recorded. The size of the deficit or surplus depends on the proportion of direct relief outlays charged as ordinary expenditure. In 1933, the entire cost of direct relief for the year was charged to capital account, and the scheme to write off one-fifth of the 1932 direct relief costs each year was dropped, after only one year's use.

Salient Changes

Salient changes in accounting of relief expenditures are shown below:

Ontario's Treatment of Relief Expenditures Years Ended Oct. 31

	1933 $	1932 $	1931 $
Gr. exp.	16,396,443	14,043,630	4,674,183
Less: Rcd. fr. Dom. a/c prev. yr.	531,840	3,284	......
Due fr. Dom. a/c 1933 exp.	2,485,657	*	*
Net exp.	13,378,946	14,040,346	4,674,183
Charged as follows:			
Admin. costs w/o	172,674	23,533	......
Direct relief:			
Write off	nil	784,937	782,763
Capitalized	†10,905,286	‡3,139,750	nil
Rel. w'ks. Capitalized	2,300,986	9,560,286	3,888,136
Due fr. Dom.	§	531,840	3,284
	13,378,946	14,040,346	4,674,183

* Amounts due in 1932 ($531,840) and 1931 ($3,284) were deducted in years in which received; not anticipated as in 1933.
† No part written off.
‡ Was to have been written off in four installments of $784,937, as in 1932.
§ Deducted from expenditures in 1933, as shown.

Possible Deficit

If provision had been made for writing off $784,937 of 1932 outlays for direct relief as had been planned, and if one-fifth of 1933 expenditures for this purpose had been written off, a deficit of $2,489,569, instead of a surplus of $467,425, would have resulted. Another change in accounting practice that makes a big difference is the deduction in 1933 from relief expenditures of $2,485,657 due from the Dominion. In the two previous years this item was not anticipated in this manner.

Among debenture issues in 1933, $10,000,000 was issued, maturing $2,000,000 annually for five years, presumably to cover direct relief expenditures. However, estimates for 1934 do not make provision for redemption of $2,000,000 as an ordinary expenditure. Thus, the provincial policy regarding direct relief expenditures appears to be to absorb them into the general debt.

Estimates for 1934, and ordinary budget experience for the last three years are as follows:

Ontario Ordinary Budgets Years Ended Oct. 31

	Revenues $	Expenditures $	Surplus $
1934*	51,079,000	50,864,000	215,000
1933	51,373,051	50,896,626	476,425
1932	54,175,233	56,236,031	†2,060,798
1931	54,390,092	54,846,994	†456,901

*Estimated. †Deficit.

Capitalizing Relief

Capital expenditures totalled $19,367,357 in 1933. Of this $13,206,272 was on account of relief works and direct relief, the latter amounting to over half the capital expenditures.

The provincial short and long term debt increased $19,708,908 in 1933. Comparison with 1932 debt is as follows:

Ontario's Debt As at Oct. 31

	1933 $	1932 $
Funded debt	516,167,408	494,603,248
Unfunded debt	75,859,893	77,715,148
	592,027,301	572,318,396

Week's Figures Feature Gains Over Year Ago

Large increases over 1933 figures are the feature of statistics released during the past week, automobile financing being the only exception. Crude rubber and petroleum imports, while slightly down from December totals, are much ahead of 1933 and indicate expectation of greatly increased automobile traffic during 1934.

Monthly		Feb., '34	Change From Prev. Period %	Change From Prev. Year %
W'sale prices	No.	72.1	+ 2.1	+13.4
Bank debits	$	2,597,000,000	+ 4.3	+31.3
Coal output	tons	1,270,567	— 2.0	+22.3
Coke prod.	tons	194,957	+ 3.0	+30.8
Auto. sales	No.	1,276	+134.5	+15.3
	$	1,820,641	+127.5	+ 7.8
Auto. financ.	$	810,045	+ 10.0	—19.1
Rubber imp.	lbs.	3,854,398	— 2.9	+48.0
Crude petr. imports	gals.	57,602,563	— 11.4	+64.8
Weekly*				
Carloadings	No.	41,463	+ 1.1	+22.0
Cattle sales	No.	11,259	— 2.2	+22.6
Hog sales	No.	25,817	+ 17.4	+27.3

*Weeks ended Feb. 24, Mar. and 1, respectively.

MEN'S SHOP

The T. Eaton Company Limited Announces the Opening of a Men's Shop comprising Men's Furnishings, Men's Clothing, Custom Tailoring, Custom Made Shirts, Men's Shoes, and Hats.

This Shop is located on the Main Floor at Eaton's-College Street, College and Bay Section

NEWSPRINT COSTS TOP SELLING PRICE CLAIM PRODUCERS

Cost of Delivered Newsprint Ton Averages About $43

From Our Own Correspondent

MONTREAL—Laying the ground for a price increase at a later date and supporting the contention that American mills are just as efficient as those in Canada, the Association of Newsprint Manufacturers in the United States have submitted their cost figures to the American Newspaper Publishers' Association.

This statement shows that in the first six months of 1933 it cost $43.28 to produce and deliver a ton of newsprint paper. This figure covers production and delivery by 24 companies of 427,299 tons, representing 97 per cent of the country's production and mill operations at 70.8 per cent of capacity.

For the third quarter of 1933 the cost per ton was $42.71 on an output of 230,676 tons with mill operations at 76 per cent.

No Return on Capital

In neither case do the production and delivery costs include provision for interest on bank loans, funded debt or any return on capital invested.

The net zone price under present schedule of prices, allowing for the difference in the tonnages used in the different zones, averages less than $41 a ton.

For the first six months of 1933 12 Canadian and Newfoundland companies, accounting for 45 per cent of the production, claimed a ton of newsprint cost $43.53 to manufacture and deliver. As in the case of the United States mills no provision was made for interest charges or return on capital.

Examination of the detailed cost of a ton of newsprint as prepared by the association, shows a number of figures which are relatively high compared with those in Canada. Wood costs are taken in at $10 a cord. There is an additional charge of roughly $1.80 a ton for purchased pulp.

Canada Lags In Recovery Says Balfour

Sir Arthur Balfour, British steel merchant, and vice-president of the International Chamber of Commerce, has been a recent visitor in a number of Canadian cities.

In Toronto he told The Financial Post that in his opinion Canada had not shown as marked recovery as either Great Britain or Australia. This was due, he thought, to Canada's close financial affiliation with the United States and the influence of the conditions of uncertainty in that country.

Britain's progress was steady and on a sound basis, said Sir Arthur.

At Sault Ste. Marie Sir Arthur declared that the world economic depression was the result of faulty agricultural distribution. There was no permanent cure for the depression without the solution of the problems of agriculture. The agriculturist today was unable to distribute what he produced and when he did distribute his products he obtained no profit.

The creditor nation could not exist with high tariff barriers, as she must buy abroad and invest in long range industries like railroads. This lesson, he said, should be learned, by the United States.

CENTRAL BANK SHARES APPEAL TO INVESTORS

(Continued from page 1)

seldom undermined by financial losses.

"This is because a large amount of absolutely safe business is brought to it by its customers. Central banks, in most instances, do not pay interest on deposits; while their assets, other than their large cash holdings and their real estate, are all lucrative. What are now idle cash reserves of Dominion notes in the hands of Canadian chartered banks would become, at least in part, earning assets when deposited with and used by a central bank."

With initial capital for the bank set at $5,000,000 there will only be 50,000 shares available for investors. These shares are to be offered by the Minister of Finance at par of $100 per share for public subscription, and to be allotted at his discretion. He may ask for payment of $25 or more per share upon subscription while the balance is payable in one or more installments within a 12-month period.

Only British subjects ordinarily resident in Canada may hold shares of the bank or Canadian corporations controlled by British subjects. No shareholder may hold more than 50 shares so that under the presently proposed capitalization there would be a minimum of 1,000 shareholders. No chartered bank or any director, officer, clerk or employee of any chartered bank may own shares of the Bank of Canada and the general manager of each bank is required to make a statement each January that his bank has not owned any stock of the Bank of Canada during the preceding year.

QUEBEC BODIES DEFAULT DEBTS OF $15,062,725

(Continued from page 1)

corporation is frequently in the same difficulty.

Gross debt of defaulting bodies is shown in the list at the date on which the default judgment was given. The list is as follows:

Municipal Corporations in Default and Under Supervision by Quebec Municipal Commission

Cities—	Date of Judgment	Gross Debt $
Chicoutimi	May 12, '33	2,169,244
Cap-de-la-Madeleine	May 15, '33	1,053,181
Towns—		
St. Joseph d'Alma	July 13, '32	504,388
Bagotville	July 13, '32	726,763
Black Lake	Aug. 3, '32	245,223
Greenfield Park	Sept. 7, '32	540,073
Aylmer	Apr. 15, '33	1,099,171
Québec-West	Jan. 5, '33	853,460
Jonquiere	May 30, '33	1,747,660
Laval-des-Rapides	May 23, '33	473,348
La Tuque	Aug. 2, '33	1,134,761
Villages—		
St. Siméon	Aug. 8, '32	28,754
Macamic	Nov. 10, '32	66,009
St. Jérôme	Nov. 23, '32	111,239
St. Joseph-de-la Rivière-Bleue	Feb. 17, '33	21,908
St. Coeur-de-Marie	Feb. 9, '33	13,359
St. Benoit-Joseph-Labre	Mar. 13, '33	93,468
Cap-Chat	Mar. 9, '33	8,338
St. Anne-de-Chicoutimi	May 12, '33	113,071
St. Alexis-de-la-Grande-Baie	July 5, '33	249,118
Val-Barrette	July 11, '33	22,000
Chandler	Sept. 14, '33	190,722
Parishes—		
St. Henri-de-Taillon	July 13, '32	88,151
St-Honoré	July 13, '32	158,279
St. Camille-de-Lellis	Aug. 24, '33	62,831
St-Fulgence	Nov. 22, '33	89,173
St. Augustin	May 17, '33	17,433
St. Jérôme	May 17, '33	26,502
Notre-Dame-de-la-Doré	May 17, '33	76,009
Townships—		
Taché	July 13, '32	45,042
Amherst	Oct. 11, '32	61,737
Bégin	Oct. 14, '32	21,018
Bourget	Nov. 22, '32	28,507
Tremblay	Nov. 22, '32	154,794
Delisle	Feb. 9, '33	112,409
Bagot, nor'west part.	July 5, '33	100,571
Bergeronnes	Aug. 8, '33	5,319
And—		
Escoumains	Mar. 29, '33	25,524
Villeroy	Apr. 10, '33	5,406
St. Michel-de-Mistassini	May 17, '33	13,256
St. Lucie-de-Beauregard	June 19, '33	15,412
St. Ambroise	July 5, '33	21,724
Chicoutimi	Aug. 20, '33	104,815
Grande-Baie	Aug. 20, '33	63,728
St. François-de-Pabos	Dec. 28, '33	1,881
St. Joseph d'Alma	Oct. 29, '32	28,276
School Corporations in Default		
Cities—		
Chicoutimi	July 13, '32	379,684
Towns—		
Bagotville	July 13, '32	160,283
Black Lake	May 23, '33	104,050
Aylmer (catholic)	May 5, '33	70,838
Quebec-West	July 12, '33	39,213
Villages—		
St. Anne	July 13, '32	71,177
St. Siméon	Aug. 15, '32	12,658
St. Jérôme	Nov. 23, '32	51,371
St. Joseph d'Alma	Feb. 9, '33	126,692
Jonquiere	Aug. 22, '33	487,296
Townships—		
Taché	Oct. 14, '32	14,142
Bourget	Feb. 14, '33	14,240
And—		
St. Honoré	July 13, '32	26,619
Escoumains	Aug. 15, '32	17,887
St. Camille	Aug. 24, '32	17,792
St. Remi d'Amherst (cath.)	Oct. 11, '32	11,588
St. Coeur-de-Marie	Oct. 29, '32	30,840
St. Jean l'Évangéliste	Feb. 17, '33	6,005
Royal-Roussillon	Feb. 17, '33	65,529
Labrecque	May 12, '33	9,600
St. Michel-de-Mistassini	Mar. 21, '33	27,977
Rivière-Bleue (cath.)	Apr. 24, '33	19,127
Peribonca	May 17, '33	10,911
Villeroy	Apr. 10, '33	4,090
Suffolk (catholic)	June 12, '33	2,721
Harvey (St. Fulgence)	Aug. 22, '33	17,936
Garnier (catholic)	Oct. 25, '33	14,146
St. Augustin	Dec. 18, '33	7,881
Corporations of Parish Trustees in Default		
St. Coeur-de-Marie	May 17, '33	268,425
St. Louis-de-Chambord	May 17, '33	271,357
St. David d'Estcourt	June 30, '33	121,950
St. Joseph-de-la-Rivière-Bleue	June 30, '33	113,867
St. Benoit-Joseph-Labre d'Amqui	Oct. 16, '33	176,780
		$15,062,725

FOR SAFE KEEPING

To keep valuable papers in one's office or home is to run a risk which may result in an irreparable loss. A private Safety Deposit box at The Royal Bank costs little, is conveniently located, and gives complete protection against fire or theft.

THE ROYAL BANK OF CANADA

The Nation's Business

(Continued from page 1)

the Times points out, is the movement of settlers making their way out of their own accord, at their own expense, and at their own risk. But can an entirely unassisted movement give to Great Britain the needed relief from her problems of overpopulation or give any one of the Dominions the additional manpower and security which it requires? There must be some systematic co-operation from governments. The problem is not to be regarded as simple or easy of solution. The pioneering spirit may have died out of the present generation. Those who laid the foundation for the Dominion's suffered privation, discomfort and isolation. Apparently, we must not ask the migrants of today to pay such a price. But whatever the problem, it must be faced and dealt with. Sensible people will agree with The Times when it says that it is high time that the whole subject of Empire migration was taken up afresh by the Empire governments.

Footnotes to Ottawa

An Occasional Department of Comment on the Background of Governmental Activities in the Nation's Capital

From Our Own Correspondent

Senate Wants Work

HEAVILY freighted with possible complications in the government's legislative programme are reports that the Senate, dissatisfied with its treatment at the hands of the government, is taking steps to assert its position. Conservative Senators are said to have addressed a grand remonstrance to the government, requesting that a larger part of the major legislation be introduced in the Upper House.

The speech of Liberal Senator Charles Murphy last week, recounting the past services of the Senate to the country—claiming that the Upper House in the past saved the taxpayers more than $103,000,000, sounded remarkably like a call to arms.

As long ago as February 20, Rt. Hon. Arthur Meighen, government leader in the Senate, said "I am not a very regular attendant at the meetings of the Cabinet." Normally, the government leader in the Senate is a constant attendant at Cabinet. In this way he familiarizes himself with government legislation and is better able to sponsor it in the Red Chamber.

The Senate since Mr. Meighen's appointment has played an ever increasing and useful role in the parliamentary sphere. Major legislation has frequently been introduced there—notably the railway and shipping bills of last year and the insurance acts of 1932. This year the Senate has lost its position; no real effort has been made to bring down bills in the Red Chamber.

Again, the law clerk of the Senate died some time ago and the government has not appointed a successor. The Senate feels it has been rather cavalierly treated.

* * *

Seaway Treaty in Danger

THE probability of the St. Lawrence treaty coming before parliament this session assumes greater significance by reason of the apparent rupture between the Senate and the government. Several senators already have expressed the view that the treaty requires revision before being ratified by this country.

Few remember that the Senate is just as potent a body as the Commons. It does not stand, in relation to the elective chamber, as the House of Lords stands to the British Commons. The British North America Act confers equal power on both chambers; says that their powers shall be the equivalent of those of the British Commons. The Senate as a rule has abstained from interfering with the government financial programme but has done so deliberately and not because of any lack of power. The Senate has every right, under the constitution, to open and amend budget bills or any legislation coming before it.

And it now appears that senators will exercise some of their powers.

With legislation such as the Central Bank Act, the Bank Act and the waterway treaty to be dealt with, this spirit of vigorous assertiveness on the part of the Senate may entail some severe checks for the ministry. Usually, a government with a large majority in the Senate has little to fear from that quarter but in the past decade the drift in the Upper House toward political independence has been very marked. Mr. Meighen's statement coupled with recent developments in the Senate strongly indicate that the party whip cannot be cracked successfully so far as the senators are concerned.

Legislation cannot become law until and unless approved by the Senate. Changes made by the Senate in bills passed by the Commons must go back to the Commons for endorsation. In the event of the two houses failing to agree, they both appoint members to negotiate jointly. If the negotiators cannot agree, the legislation dies.

The Government is preparing to advance the St. Lawrence treaty for ratification by Parliament this year. Official reports from Washington indicate there is a slight majority over the necessary two thirds required in the Senate to ratify a treaty. The vote is fixed for March 14 and if endorsed at Washington the treaty will be submitted to Parliament forthwith.

* * *

Central Bank Ownership

BEHIND the scene there is the brisk controversy underway among Liberals as to the position the official opposition should take on the Central Bank bill. Should the bank be publicly or privately owned? It seems that a large majority of the party strongly favors public ownership. But the minority, which stands for private ownership, includes some of the most influential members of the party.

As yet no agreement has been reached, but Parliamentary practice requires a national party to agree upon a policy and some compromise will have to be arrived at. It looks as if the public ownership men would yield ground in the matter of share ownership, but insist upon the Government retaining authority to appoint the governor and deputy governor of the bank and a given number of the directors.

* * *

Future of Stevens Probe

IT IS, perhaps, too soon to form any judgment as to what will come to the Stevens committee. But there is a growing belief that the Government, having exposed serious weaknesses in the industrial system, will not allow the issue to drop. Enquiry reveals the fact that the Government as yet has reached no decisions as to policy, but the talk is for a system of industrial codes. If these were voluntary, giving the right to mark products with an insignia along the lines of the blue eagle in return for adherence to given standards, there would be no constitutional difficulty to be surmounted. If compulsory, the Government would either have to amend the B.N.A. Act taking over jurisdiction now possessed by the provinces, or obtain provincial legislative sanction in advance for the codes.

* * *

Agreements and Treaties

RAPID emergence of Roosevelt's foreign trade policy at Washington is causing much comment at Ottawa. Mr. Roosevelt is asking Congress for authority to negotiate and put into operation trade agreements with foreign countries, and undoubtedly Canada will be among the first nations to be approached. It is recalled here that there is a vast difference in the term "Agreement" and "Treaty" when used at Washington The first is more or less temporary in character, not requiring sanction by the Senate; the latter requires the support of two thirds of the Senate before becoming operative. In 1933 Mr. Bennett drew attention to this difference between the two forms of trade arrangements and expressed a marked preference for a treaty. The present Canadian government is not likely to be greatly attracted by the offer of an Agreement.

* * *

Bill of 1,000 Sections

THE Canadian Shipping Act has been redrafted and is likely to be introduced in the Senate within the next week or two. This legislation, it will be recalled, was brought down in the Senate last year, but was not proceeded with. Last year's bill, containing close to 1,000 sections, was the longest measure ever introduced in Parliament. The Senate quickly discovered that it had not been made available to shipping interests and port authorities in sufficient time to enable them to study it. The measure has now been revised and abbreviated. In substance it is the same as the bill of 1933.

The probabilities are that the Coastal Laws (withdrawn from the 1933 bill and enacted although never proclaimed) will be re-incorporated in the legislation and enacted once more.

RESTIGOUCHE CO. BETTER POSITION FOR PAST YEAR

Better Pulp Market Causes Operating Profit to Advance

From Our Own Correspondent

MONTREAL—With sulphite pulp operations at capacity throughout the year, Restigouche Co., controlled by Fraser Cos. reported a substantial improvement in earning power, operating income amounting to $359,507 compared with $138,260 in 1932.

While the income account shows a deficit for the year of $111,443, it is pointed out that it contains provision for bond interest, under the terms of the reorganization plan, interest payments have been postponed and accrue as a fixed rather than as a current liability.

Reduce Bank Loan

Restigouche Co.'s balance sheet on December 31, 1933, showed assets totalling $11,333,183 compared with $11,686,986 at the close of 1932. The principal change among liabilities is a reduction in bank loan and overdraft from $726,987 to $40,000. The prior lien bonds, authorized at the time of the reorganization, have not been issued.

The company has a contingent liability for bills under discount, principally Fraser Industries Inc., of $327,997.

The only change of importance among assets is a reduction in inventories from $977,760 to $468,196.

	1933 $	1932 $
*Earnings	359,507	138,269
Less:		
Invent. loss	......	93,193
Bank interest	38,885	58,951
Bond interest	290,760	300,239
†Other int.	20,353	3,634
‡Sundry	......	64,638
Net profit	9,509	‡382,387
Deprec.	115,275	141,205
Deplet.	5,678	85,885
Year's deficit	111,443	609,478

* After expenses, taxes and provision for bad and doubtful debts.
‡ Deficit.

Working Capital Position

	1933 $	1932 $
Curr. assets	623,983	1,082,878
Curr. liabs.	242,512	1,015,880
Work cap.	381,471	66,998

Asbestos Quebec Monopoly

Canadian asbestos, which is of the chrysotile or serpentine variety, is all obtained from the Eastern Townships, Quebec.

WIDE CHANGES IN U. S. TARIFF MAY RESULT

(Continued from page 1)

nite expiration date but it would not necessarily be obligatory.

The president requests speedy action, and points out that:

(1) While world trade has dropped with startling rapidity, American foreign trade has declined even more sharply.

(2) The nations of the world are entering an international commercial race and he wants power to act quickly.

(3) Important benefits to American agriculture and industry will result from the administration of the broad powers which he asks.

(4) Expansion of foreign trade is a necessary part of the administration's broad recovery programme.

U. S. Trade Compared

To show the need of stimulating foreign trade, he states that, measured in terms of goods, in 1933, world trade was reduced to 70 per cent of its 1929 volume and American foreign trade to 52 per cent. Measured in terms of dollars, world trade, he says, fell off to 35 per cent and American foreign trade to 32 per cent of the 1929 value. The president indicates that other countries are increasing their trade at present because they are able to quickly modify tariffs and preferences; that the American Government must be in a position to bargain for trade with other countries as well as grant opportunities in the home market for supplementary foreign products. Cotton, tobacco, hog products, rice, cereal, fruits and those branches of American industry with efficient mass production methods are expected to find expanded markets under proposed agreements.

No Plan Yet For Canada

In the unshaped stage of general policy, there are no definite plans as yet with regard to particular relations with Canada. A prominent government official in Washington and one of the group responsible for the formulation of the new policy informed the writer that the bartering of quotas in connection with liquor arrangements was distinctly a temporary and exceptional matter, and should not be regarded as embracing all that the United States has in mind at the present time, or as foreshadowing the exact mode of negotiation in connection with more permanent and general trade relations.

No country was any more successful than Canada last year in improving its external position. First of all, there was a revolutionary change in its foreign trade relationship. Imports in 1933 were $51,360,000 and exports $37,665,000 higher. With exports of foreign merchandise included, the favorable balance last year was $136,254,000, in comparison with an unfavorable balance of $103,019,000 in 1930. Furthermore, $298,000,000 was available from commodities, gold, and tourist trades to more than meet net debits or interest, freight and exchange totalling $249,000,000.

Trade Must Be Restored

International trade must be restored. Its reduction during the past few years has been one of the heaviest blows that has fallen upon American agriculture and industry. The supply and demand for the crops as a whole cannot be balanced within the U. S., nor is it possible to cut the acreage enough. Therefore, a substantial part of a majority of the crops must be sold abroad if agriculture is to prosper.

The proposed bill has been interpreted as an attempt to follow that middle course between internationalism and nationalism, which Secretary of Agriculture Wallace has so strongly advocated. To countries which will lower their duties or grant increased quotas on U. S. products, it will grant reciprocal treatment. If foreign purchases could be restored or a new demand created, agriculture would benefit more than from the various schemes of processing taxes and crop restriction bounties.

Weakness of Present Law

Under the existing Smoot-Hawley tariff law, duties can be raised or lowered by 50 per cent by the president only after an investigation (which is usually partial) by the Federal Tariff Commission into the difference in cost of production in the U. S. and abroad. Many economists also feel that findings based on cost of production are often unsound because, among other reasons, the tariff would increase as the domestic industry became less and less efficient.

Experience has shown that exact costs of production abroad cannot always be determined, and in order to make even a careful estimate, considerable time and money must be expended. The present administration believes this is a tedious method of dealing with tariff problems, and also points out that there is nothing in existing law to give the president authority to bargain with other nations to increase trade. The proposed executive commercial agreements would not have to be submitted to the Senate for ratification, thereby avoiding delay and evisceration. The Tariff Commission would in effect become a board of expert advisers to the president. In brief, this is the argument for the new procedure of placing trade matters in the hands of the executive.

One Point of Similarity

The only point of similarity between the new proposal and the flexible tariff provisions of current law is the 50 per cent limit. Critics of the bill believe this phase is being retained partly to give a suggestion of similarity with the prevailing flexible tariff law. It is interesting to note that France has empowered its ministry to change tariff rates by decree much as American tariffs would be changed under the new bill. In Italy, Germany, and Russia substantially similar powers have been granted, and in England, to an extent, the British Board of Trade has authority to act.

The measure has been introduced in Congress in spite of the fact that it is expected to meet substantial opposition, based on the reluctance of this body to give up its tariff making prerogatives, and also because the president would be given power of life and death over industries now protected by tariff duties. For more than 100 years Congress has exercised plenary powers in the fixation of tariff duties but relinquished some of its power in 1930 when it approved the flexible tariff provision referred to above. It is alleged by critics of the present bill that the safety of this provision in the 1930 measure was that no change could be made in duties without due notice to parties interested and public hearings, It is contended these safeguards are removed in the proposed measure. The political aspect of the issue is undeniably important because of forthcoming Congressional elections when the Roosevelt administration will meet its first test at the hands of the voters since 1932.

Three Government Trade Banks

There are to be three government-owned and operated banks for foreign trade under the supervision of Mr. George N. Peek, who will not only advise on financing but on the control of exports and imports and the adjustments of tariffs. The first, to be known as the Export-Import Bank, is designed to facilitate trade with Russia and has been chartered with $11,000,000 capital subscribed by the Reconstruction Finance Corporation. It is believed to be capable of financing trade of $100,000,000.

The second bank is going to specialize on Cuban business, an indication of the intent to cultivate closer relations with Latin-American neighbors. A third bank is going to take care of foreign trade credits "with the rest of the world." The last two institutions are to be financed in the same manner. Further details are not available. It is alleged that the proper credit is not available through commercial banks for financing this trade, although in other quarters there is a disposition to contend that the administration proposes to return to the system of lending abroad to permit the purchase of American exports.

Sacrifice Trade Balance

The administration is prepared to sacrifice the favorable American trade balance to enable foreign buyers to pay for their purchases, and a complete balance is to be sought between exports and imports of merchandise to and from the U. S. This principle will not be applied to the foreign trade of the U. S. with individual nations but to its total foreign trade. Clearly, some countries are necessarily surplus or deficit countries in regard to exports to other individual countries. Hence, a so-called "triangular balance of exports" is to be sought.

The U. S. could not afford to isolate itself from the rest of the world because although it exports, on an average, only about 10 per cent of its production, the percentage for many important commodities ranges far higher, being about 55 per cent for cotton, 45 per cent for copper, 40 per cent for tobacco, 35 per cent for kerosene, 32 per cent for wheat, etc. Hence it is imperative that America find markets beyond her boundaries for this production, otherwise it would be dumped on an already over-supplied domestic market.

War Debts Not Concerned

It is understood that war debts will play no part in trade pact negotiations. In answer to critics doubting the constitutionality of the proposed tariff law, its sponsors referred to the U. S. Supreme Court ruling upholding the giving of flexible powers to the Tariff Commission. It is asserted that the same position could be taken if Congress gave those powers to the president.

Pending a definite decision on the policy to be followed, all commercial treaties and agreements are held up. Reciprocal tariff negotiations had already been entered into or completed with Sweden, Colombia, Portugal, Brazil and Argentina. Germany, Belgium and other countries are already willing to swap tariff concessions, once the way is clear. The president would then be in a position to bargain with other nations, including the major powers. Experts would search for commodities in each country that are exportable and could be sold in the markets of each other without sharply competing with domestic business. It is apparent that the administration realizes it cannot expand foreign markets by dollar devaluation, but only by following the principle of "give and take."

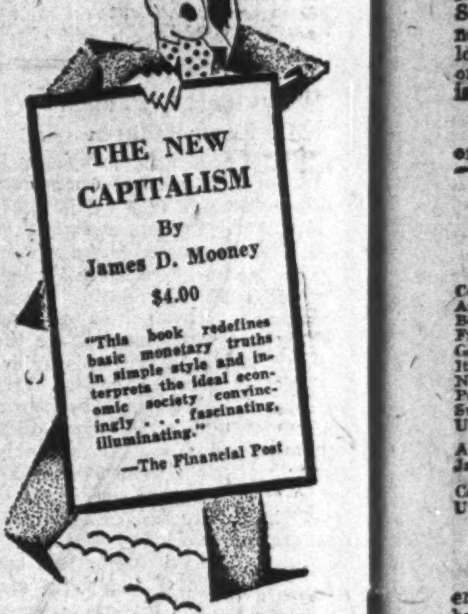
Eliminate Log Rolling Methods

In recent years the U. S. has protected the relatively inefficient and unsuitable industries at the expense of the more efficient ones and it is now time to reverse this policy. Furthermore, anyone acquainted with the history of American tariff making knows that if a national policy is to be adopted Congress must get rid of the usual "log-rolling," even if it means delegating to the president the powers contained in the proposed bill.

President Roosevelt has now practically completed transmission of his legislative programme to Congress. A message dealing with war debts may be submitted but it is unlikely to require legislative action. The tariff bill is bound to injure some businesses but the best principle to follow is to try to attain the maximum good for the maximum number.

Nation-wide organization... serving city and country alike.

BANK OF MONTREAL
Established 1817
MODERN, EFFICIENT BANKING SERVICE
.... the outcome of 116 years' successful operation ....
HEAD OFFICE MONTREAL



FEATURES
in the March issue
THE CANADIAN CHARTERED ACCOUNTANT
Apportionment of Expenses in Estates Accounting
Are Stock Dividends Revenue or Capital?
Blue Band Navigation Company case
Common Sense in Politics and Industry
Recovery and Reform under Roosevelt
Published monthly, $2.00 per annum. Send subscriptions to The Editor, 10 Adelaide Street East, Toronto

FAIRBANKS AUTOMATIC OIL BURNER
MADE ENTIRELY IN CANADA
THE CANADIAN FAIRBANKS-MORSE COMPANY LIMITED
Montreal, Toronto and Branches

The Western Savings & Loan Association
Winnipeg, Manitoba
Agencies:
Butler Byers Bros. Limited Saskatoon, Sask.
McCallum, Hill & Co. Regina, Sask.
Equitable Agencies Ltd. Calgary, Alta.

John D. Gilmour,
B.Sc.A., B.Sc.F., (Toronto)
CONSULTING FOREST ENGINEER
MEMBER OF EXECUTIVE, PACIFIC LOGGING CONGRESS. MEMBER CANADIAN SOCIETY AND QUEBEC ASSOCIATION, OF FOREST ENGINEERS
Seventeen years in practical active charge of eastern pulpwood logging operations, continuously for the same interests.
Experienced in all phases of organization and management of logging operations, logging engineering, transportation, timber valuations, cost estimates, budgetting and control.
QUEBEC, QUE.

£
5%
On Guaranteed Trust Certificates
Safe beyond question and unconditionally guaranteed
Send for descriptive circular without obligation.
THE STERLING TRUSTS CORPORATION
Sterling Tower, TORONTO

Political Strife Fly in Ointment For Holders of European Bonds

Despite Heavy Defaults, Record Better Than S. America; Some Loans Profitable

By ROGER S. DAVISON

Current political disturbances in Europe serve to cloak the future of European bonds with uncertainty. The holders of French, German, Austrian, Italian and other bonds are clipping their coupons with trembling fingers these days; and are faced with the alternative of selling out now (in some cases at a loss) or of holding on in spite of revolutions or wars.

Roughly $3,000,000,000 par value of European government, state, municipal and corporation bonds have been sold on this side of the Atlantic — probably more than our share was sold in this country as Canadians were eager purchasers of German and French bonds during the years 1924 to 1928. Approximately one-third of this total came from Germany—the balance from at least 23 other countries and their political sub-divisions.

While the record of European bonds on the whole has been considerably better than that shown by South American issues a total of nearly $2,000,000,000 par value of loans is in default. Of this, about one-half is represented by German issues.

Some Good Issues

In contrast to the poor showing of many European dollar bonds, the French, Swiss and certain other issues have been consistently good investments and are selling at a considerable advance over their original offering price. The French Government and the French cities of Bordeaux, Lyons, Marseilles and Soissons are paying the service on their dollar bonds on the gold basis. Republic of Poland has also paid interest on the gold basis but only if the coupons were sent abroad for collection.

Another European issue paying interest in gold (or its equivalent) is the French National Mail Steamship Lines 6 per cent loan, which was sold in Canada in 1927 when an embargo on French loans was declared in the United States. The market price of some of the issues paying in gold is, of course, materially above the level of the other issues as shown by recent quotations:

	Price Feb. 15, '34
Belgium 7's of 1955	108⅝
French Government 7's of 1949	168½
Switzerland 5½'s of 1946	165¼
City of Bordeaux 6's of 1934	160¼
City of Soissons 6's of 1936	158½
Poland 7's of 1947	94⅝

The following table indicates the economic position of important borrowing nations:

Comparative Statistics for Borrowing Countries

Country	Debt per Capita $	Gold reserves Dec. 31, 1932 $(000,000)'s	Gold reserves Dec. 31, 1933 $(000,000)'s	Trade position export + import — 1932 $(000,000)'s	Trade position surplus + surplus — 1933 $(000,000)'s	Wholesale commodity index 1913 = 100: 1929	Wholesale commodity index 1913 = 100: Dec. 31, 1933 (or last avail.)
Austria	63	21	24	— 87	— 27†	130	108
Belgium	185	361	379	— 41	— 46	124	71
France	430	3,254	3,020	—398	—405	611	409
Germany	51	192	92	+255	+168	137	96
Italy	125	307	372	— 75	— 80	446	277
Norway	150	38	32	— 33	— 26*	149	122
Poland	17	56	53	+ 25	+ 7†	96	54
Sweden	81	55	71	— 56	— 6*	140	109
United Kingdom	810	583	934	—1,001	—824	135	103
Australia	870	42	3	+ 50	+136	158	140
Japan	65	250	240	— 7	— 10	166	136
Canada	280	83	68	+ 88	+137	150	106
United States	210	4,045	4,012	+247	+134	150	111

* Nine months.
† Six months.

With this table available for reference we may now discuss very briefly the position of each of the major borrowing countries in turn.

French Loans

The first French bond issue to be sold in the United States was floated in 1917. It carried a coupon rate of 5½% and was offered at par. It is now quoted at 150. In many respects this record typifies the progress which has been made by the French republic since the termination of the war in 1918.

While recent events have undermined to some extent the confidence of investors in its economic stability, French credit still ranks high. The French people have succeeded in the task of post war reconstruction and have little to fear in the future except political upheavals. There is a great deal of talk about France leaving the gold standard; of budget deficits; of unfavorable trade balances and of other unfavorable developments, the importance of which is greatly exaggerated.

France normally relies upon tourist traffic to balance its foreign accounts. The tourist is no longer spending the large sums formerly dispersed in French shops and for French services, because of the rise of the franc.

Balancing the national budget is the most difficult task facing the French cabinet and is a problem which will require a great deal of political courage.

A reduction in expenditures rather than an increase in taxation is the only permanent solution of the difficulty.

French Government bonds, as well as municipal obligations, have always been highly regarded abroad. At current prices, however, the yield, even with the premium bonus received due to the depreciation of our currency, scarcely compensates for the risks of both the bond itself and the uncertainty of the exchange market.

German Default

The most important European debtor (disregarding inter-governmental debts) is Germany with bonds to the par value of approximately $1,000,000,000 outstanding in the United States and Canada. Over 100 separate issues are included in this total. In accordance with the government decree of June 9, 1933, effective July 1-Dec. 31, 1933, bondholders received 75 per cent of the total interest due. City of Heidelberg 7½'s of 1950, Hamburg-American Line 6½'s of 1934-40, Siemens & Halske A.G. 6½'s of 1946, Hugo Stinnes Corp. 7's of 1936 and 7's of 1946 are the only loans in default with respect to payment in marks as well as in dollars.

On Jan. 25 last, Germany's creditors met in Berlin to negotiate with Germany's finance minister who had previously announced that only 30 per cent of the interest on German loans could be paid, commencing Jan. 1, 1934. As a result of this meeting the German Government has agreed to pay 30 per cent of the coupons in cash and 70 per cent in scrip; but the scrip will be redeemable at 67 per cent of its face value, thereby enabling bondholders to realize 76.9 per cent on their interest coupons as against 75 per cent during the last half of 1933. Neither interest or sinking fund on the German (Dawes) 7 per cent loan, due 1949, nor interest on the 5½ per cent (Young) loan, due 1965, are affected by the moratorium.

Needs of Germany

Germany's total debt per capita is equal to approximately $51—which is one of the lowest among the important nations of the world. The huge internal debt contracted during the war was wiped out by inflation.

While Germany has been successful in regaining a large portion of its pre-war trade and in establishing a favorable balance of payments, the government claims that available foreign exchange is only sufficient for the payment of 30 per cent of the interest due on foreign loans. There is little prospect of larger cash payments abroad until Germany is allowed a still larger percentage of world trade.

As interest on both the Dawes and Young loans is being paid in full in United States dollars, and is likely to be continued, these issues appear to be well worth retaining. In some cases the municipal and corporation issues may be advantageously exchanged for the Young loan, which is selling at 59 in New York. It is possible that a general scaling down of the interest rate on all loans will eventually be necessary but this step will only be taken as a last resort.

Italian Bond Record

Turning to Italy, we find that under the Fascist régime great progress has been made toward establishing economic stability in that country. Nevertheless, Italy did not escape the depression. The fall in wholesale prices, the decline in trade, the slowing up of industrial production, are all a part of the record. Large budget deficits have also occurred. Improvement set in, however, rather earlier than in most other countries. Electric power production, steel production, foreign trade and the price securities have been advancing irregularly since the middle of 1932.

Italian bonds have had a good market record and merit the confidence of foreign investors. The Italian Government 7 per cent loan due in 1951 is selling at 100 in New York, while Rome 6½'s of 1952 and the Milan 6½'s of 1952 are both quoted at 91½.

Austrian Situation

The price at which Austrian Government bonds are quoted in New York reflects the uncertainty of both the political and economic situation in that country. The 7 per cent loan due in 1957 is selling at 64—which compares with a high of 68⅜ and a low of 50 this year.

It is practically useless to attempt an analysis of the rather meagre statistics which are available concerning Austria's economic position. In June, 1932, that country suspended the transfer of debt service on all foreign debts, public and private, with the exception of the 7 per cent loan, due 1943, which is guaranteed severally by Great Britain, France, Czechoslovakia, Italy, Belgium, Sweden, Denmark and Holland, and the 7 per cent loan due July 1, 1957, which is a charge on the customs and tobacco monopoly.

The present republic of Austria possesses a population of less than seven million, as compared with the former Austro-Hungarian monarchy population of 55 million. Today more than one-third of the entire population of Austria lives in Vienna. The depression has been accentuated by the limitation of resources.

It is thought probable that no permanent recovery can be possible in Austria until there is a readjustment of the political boundaries or at least a close co-operation between Austria and the other central European states — including Germany, which has always been Austria's best customer.

Polish Loans

The reader is now escorted to Poland, where over $100,000,000 was invested by American and Canadian security buyers. For a number of years after their sale in this market Polish bonds sold at a heavy discount and caused their holders considerable worry. At present, however, they command a better price, particularly in the case of the 7 per cent loan due 1947 (quoted at 95) interest on which is payable in gold standard currencies. The 8 per cent loan, due 1950, is selling at 78½.

The outlook for Republic of Poland bonds, however, is unpromising, firstly, because of the critical financial position of the country and, secondly, because of its unsound and uncertain political situation. It would seem to be advisable for Canadian holders of these securities to take advantage of present prices to transfer their funds back home.

Good Scandinavian Record

Scandinavian and smaller gold standard nations have scrupulously honored their foreign obligations. Temporary economic difficulties have not interfered with the payment of interest abroad and are not likely to in the future.

Sweden recently offered American holders of the 5½ per cent loan, due 1954, the opportunity of converting their bonds into an internal issue of 3½ per cent perpetual kroner bonds. The 5½ per cent loan is redeemable in any case at par on Nov. 1, 1934, so that conversion on the favorable terms offered was definitely advantageous to the holders of the bonds.

Belgium and Denmark also possess an enviable reputation with respect to their foreign loans. The fall in commodity prices and the decline in business activity has increased the burden of their debts, but there is no need of apprehension regarding their ability to continue service of the loans in full.

On Nov. 24, 1933, Switzerland announced that it would offer to exchange the 5½ per cent loan, due 1946 (redeemable April 1, 1934, at 100 into a 4 per cent Swiss franc loan, due Dec. 15, 1953. On Jan. 29, 1934, it was announced that the bonds which had not been converted by April 1 next would then be called for redemption at 100 and interest, at the dollar equivalent of 5.12 Swiss francs per dollar. After April 1, therefore, Switzerland will have no loans outstanding in the American market—the 5½ per cent issue being the sole outstanding dollar loan at the present time.

Balkan States Risky

Practically all of the so-called "Balkan" states entered the American market for loans prior to 1930. Of the six countries included in this group only one, Czechoslovakia, has fulfilled its contract to pay the full interest and sinking fund on its loans.

Present position of the "Balkan" loans, with a brief comment in each case, is summarized as follows:

Bulgaria—$17.50 paid on each $35 coupon due Jan. 1, 1934, on 7 per cent loan due 1967. Financial position showing some improvement, but shortage of foreign exchange likely to prevent full interest payments for some time. Import surplus in 1932 turned into large export surplus in 1933.

Czechoslovakia — Interest being paid in full. Although finances are in strained condition, outlook is improved by recent decision of the government to devalue its currency. Whether this action will affect external loans has not been announced.

Greece—About 30 per cent of face value of coupons expected to be paid in 1934. Prolonged economic adversity has prevented interest being paid since 1932. Recent rise in volume of trade holds encouragement for holders of bonds.

Hungary—50 per cent of Feb. 1, 1934, coupons on the 7½ per cent loans, due 1944, paid in cash, balance in treasury bills. Three municipal dollar loans and 13 other dollar loans are also in default. Favorable trade balance in 1933 is a hopeful sign but economic position not regarded as sound. Bonds must be considered as speculative.

Roumania, Jugoslavia

Roumania—50 per cent of Feb. 1, 1934, coupon paid in cash—balance in treasury bonds maturing March 31, 1934, by which time an agreement with bondholders' committee is expected to be reached. While state revenues have been sufficient for interest requirements lack of foreign exchange has necessitated partial payment plan noted above.

Yugoslavia—(Serbs, Croats and Slovenes)—Government has offered bondholders alternative plan of payment: (1) 10 per cent in cash—balance in 5 per cent bonds due Oct. 1, 1956; or (2) full amount of coupons in dinars at current rates of exchange, subject to exchange control. Economic outlook only fair. Some improvement in trade conditions during 1933 have eased exchange situation but increased cash interest payment not expected for some time.

While the economic charts show that the Balkan States are approaching better times it must be remembered that the political barometer in that section of Europe usually points to "stormy." The cautious investor is not likely to leave his dollars in these issues any longer than necessary to avoid a heavy loss.

Australian Recovery

Let us now glance at the credit position of Australia and Japan, the two modern powers of the Far East.

Three years ago the plight of Australia was indeed critical. In May, 1931, a definite plan for the rehabilitation of the country's finances was drawn up. This plan has been the basis of remarkable recovery in the last three years.

Good crops, strict economy and a determination to overcome the depression have combined to put Australia on her feet. Australian loans once more are quoted at prices which reflect the general high credit standing of the British Empire.

Japan's Deficits

The situation in Japan does not reflect the improvement so noticeable elsewhere. This is due partly to the fundamentally unsound economic condition of the country and partly to the fact that the primary purpose of the government seems to be preparation for war rather than rehabilitation of the nation's position.

The Japanese national budget showed a small deficit in 1932-33, which has increased to a deficit of 800,000,0000 yen during the first nine months of the year 1933-34. Federal deficits will probably continue, and will undoubtedly become more onerous—as the country's resources are neither large or varied enough to support a large increase in the debt. Japanese bonds must be considered in the speculative class until there is evidence that the government realizes the seriousness of the situation and institutes corrective measures. A war with Russia (or anyone else) would not help the outlook.

Edmonton Spreads Itself

The city of Edmonton is Canada's second largest city in area, according to City Engineer A. W. Haddow—Montreal, alone, being greater in extent. Montreal covers an area of 32,155 acres and Edmonton 28,200 acres. The density of population in Alberta's capital city is 2.8 per acre as compared with an average of 10.25 per acre in Canada's centres of 10,000 population and over.

DEFAULTS 6.15% MUNICIPAL DEBTS IN SASKATCHEWAN

Good Comparative Record Due to Provincial Control Board

From Our Own Correspondent

REGINA.—Saskatchewan's gross municipal debenture debt on December 31, 1933, stood at approximately $66,135,015, and of this total there is only $4,000,000 in default. Sinking funds for all municipalities in the province totalled $15,249,525, making a net debt of $50,886,490.

The net debt is made up as follows, including interest:

Rural municipalities	$ 187,190
Villages	302,036
Towns	3,682,442
Cities	28,350,829
School debentures	12,280,000
Rural phones	5,496,417
Drainage	333,337
Union hospitals	254,239
Total net debt	$50,886,490

Sinking funds are as follows:

School districts	$ 700,000
Towns	166,554
Cities	14,382,971
Total sinking funds	$15,249,525

The province has 302 rural municipalities, 400 villages, 80 towns and eight cities.

Foregoing figures include all debentures issued by municipalities, rural or urban, school districts, rural telephone companies and other municipal ventures authorized to issue.

Low Default Ratio

The default ratio is regarded as surprisingly low, it being approximately 6.15 per cent of the debt. At the end of 1932 defaults totalled $2,894,322 and an approximate figure of $1,200,000 has been added to cover 1933. There is no means of making an absolute check on defaults as a considerable percentage of the bonds are not registered. But municipal officials are of the opinion that the figure of $4,000,000 is close to the actual total.

This year's crops will be the controlling factor in the total defaults at the end of 1934. Considering the low price of wheat some surprising things have been done in the way of municipal financing. In the northeast region, which had a good crop in 1933 and which had defaulted in some districts for two and three previous years, a large portion of the total default was made up, thus revealing possibilities of quick recovery where municipalities are concerned.

Credit Given Board

A great deal of credit for the condition in which Saskatchewan finds itself is due to the close scrutiny of debenture issues by the local government board, formed by the provincial government in 1914. It has complete control over all debenture issues of municipalities, rural and urban.

It is necessary for all municipalities to receive the board's sanction before issuing debentures. During the 20 years of the board's existence it has acted as a check on what it considered unnecessary expenditure.

All municipalities in default and under the Local Government Board Powers Act are required to place before the board estimates for the year. One defaulting southern Saskatchewan municipality, for instance, presented estimated expenditures totalling $24,000 and was only allowed $12,000. The board set the tax levy according to the revised estimates. At the end of the year this municipality reported that it had spent only $6,000 of its estimates, had collected its entire levy and more than sufficient tax arrears to cover its expenditure for that year.

There is no appeal from the board's rulings. It has power to veto any proposal for the issuance of debentures. The board is made up of three members who give full time to their work and are responsible to no one but the legislature of the province.

In past years the board has received considerable criticism but those were the days when municipalities felt the urge to spend and spend lavishly but since hard times have hit the province the board is looked upon in an entirely different light. Its advice is sought now.

In some municipalities it has been found necessary to place trustees in charge but these trustees are removed just as soon as is deemed advisable in the interests of the taxpayer. In the event of a recalcitrant municipal council, the simple method is adopted of discharging the council and putting in an official trustee. He runs the municipality's finances until removed by the board.

War on Waste

Canada owns a railway to Churchill on Hudson Bay, and a large grain elevator at the port itself. The Dominion's investment in this project, including loss at Port Nelson, is approximately $53,000,000.

Annual interest on this sum at five per cent is $2,650,000; at four per cent, $2,120,000. Deficit for the railway last year was $163,000, but is estimated at only $10,000 in 1934. This year's cost of operating the elevator is estimated at $95,000, while last year's revenue from this source was $58,000, according to Hon. Dr. R. J. Manion, Minister of Railways and Canals. So there may be a loss of $37,000 on the elevator this year. Then nearly $415,000 is to be voted for maintenance and construction on the railway this year, of which part "would really be capital," according to Dr. Manion. But probably the maintenance cost would reach at least $200,000.

Taking the most conservative figures, the annual cost of operating the Hudson Bay project is $2,367,000, and it is probably above $3,000,000. Thus, the waste of $53,000,000 in the investment is only the beginning, and will be followed by a large annual waste of the taxpayers' money.

Amendment to Alberta Act Will Achieve Uniformity

Amendments to the Alberta Insurance Act, in uniformity with other provinces of the Dominion will be introduced at the present session of legislature. They will have the effect of strengthening the present legislation and adding a number of new features for the transaction of insurance business in Alberta.

These amendments have been agreed upon and recommended by the association of provincial insurance superintendents throughout Canada, and have either been already passed or are in process of passing in all the provinces except Quebec.

IT IS OUR FIRM POLICY

It is our firm policy to strive to render to all clients a very high standard of business and financial service and at the same time to render an equally good personal service to beneficiaries.

Crown Trust Company

393 ST. JAMES STREET • MONTREAL

LET US SERVE YOU AND YOUR FAMILY

New Brunswick Treasurer Sees $153,842 Deficit

New Brunswick's deficit for the fiscal year ended Oct. 31, 1933, was $429,517, and Hon. A. J. Leger, provincial treasurer, has announced anticipation of a deficit of $153,842 for the current year.

New Brunswick will have no new taxation for 1934, the provincial treasurer has stated, apparently pinning his hopes of increased revenues on the current revival of business in the Maritime provinces. The 1934 budget will show reduction of $100,855 in controllable items, it was stated, but expenditure required by law will be up $169,808 at $3,807,880.

New Brunswick Budgets Years Ended Oct. 31

	*1934 $	1933 $	1932 $
Expend's	5,788,813	5,605,985	6,360,893
Rev's	5,634,971	5,176,468	5,794,830
Deficit	153,842	429,517	566,063

*Estimated.

From the foregoing it can be seen that while total ordinary expenditures are expected to increase $182,828, revenues are expected to rise $458,503 without adding to taxation.

BRUCK SILK PUT STOCK ON $1 BASIS

Sales in February Over 54 Per Cent Ahead of Last Year

From Our Own Correspondent

MONTREAL.—Directors of Bruck Silk Mills have placed their common stock on a regular dividend basis of $1 a share per annum. Previously the company had declared a quarterly dividend of 25 cents.

This action on the directors reflects increased sales and earning power. Last month the company is reported to have recorded an increase in sales amounting to 54 per cent compared with the corresponding month of last year.

Large Gain in 1934

During the fiscal year 1933, Bruck Silk reported a gross trading profit of $477,831, or an increase of $171,335 over the previous year. After providing for all expenses the income account showed a surplus available on the common stock amounting to $1.56 a share as against 28 cents a share in 1932.

At the last meeting of the board, Thomas G. Potter was elected a director. He takes the place of F. G. Bush, secretary, who has resigned the board, but continues his secretarial position.

INSIST ON THESE FOUR VITAL FEATURES...

GET THE MOST FOR YOUR MONEY WHEN YOU BUY A LOW PRICED CAR

Plymouth is the only Lowest Price Car with All these Features . . . And it's the Biggest Lowest-Price Car

YOUR PLYMOUTH DEALER is waiting to show you the new 1934 cars. He has *special reasons* for wanting you to see them — *drive one yourself.*

For Plymouth has *four vital features* that you cannot get together in any other lowest-priced car.

Before you buy any lowest-priced car — see the tremendous difference between a car that has all of these fundamental features — and one that hasn't.

Comfort DOUBLY Guaranteed!

This year the big development in automotive engineering is individual front wheel springing.

But note this: *Plymouth is the only lowest-priced car that has it on ALL models . . . even the lowest-priced!*

Again—individual springing ends front-end bouncing. But for real smoothness, it's important to take the vibration out of the engine as well!

So *every* Plymouth has Floating Power engine mountings. Engine vibration *can't* reach the driver or his passengers.

Canada's Safest Lowest-Priced Car

Then — you're safer when you ride in a Plymouth. Because Plymouth gives you the double protection of self-equalizing hydraulic brakes and safety-steel body.

Hydraulic brakes are quicker, smoother, surer. They give you better control of the car because they equalize themselves—so you never swerve to a stop.

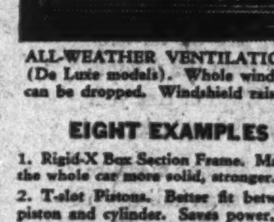
And it's obvious that you're safer in a body of steel reinforced with steel. Every joint in a Plymouth body is permanently welded together!

More for Your Money

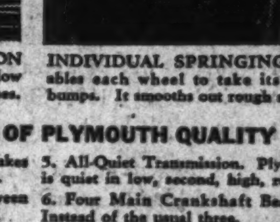
De Luxe Plymouths with their 114-inch wheelbase are the biggest low-priced cars built. Airwheel tires and an improved, all-weather ventilation system are standard equipment on these models.

Visit the nearest Chrysler-Plymouth showroom; ask for a Plymouth ride and see what your money can buy in a low-priced car this year.

MADE IN THESE BODY MODELS: 2-door sedan, 4-door sedan, rumble seat coupe, business coupe. De Luxe Models: 2-door sedan, 4-door sedan, convertible coupe, rumble seat coupe, business coupe.



ALL-WEATHER VENTILATION (De Luxe models). Whole window can be dropped. Windshield raises.



INDIVIDUAL SPRINGING enables each wheel to take its own bumps. It smooths out rough spots.

EIGHT EXAMPLES OF PLYMOUTH QUALITY

1. Rigid-X Box Section Frame. Makes the whole car more solid, stronger.
2. T-slot Pistons. Better fit between piston and cylinder. Saves power.
3. Four Rings per Piston. Extra ring maintains better compression seal.
4. Engine Oil Filter. Better lubrication—longer life from your lubricant.
5. All-Quiet Transmission. Plymouth is quiet in low, second, high, reverse.
6. Four Main Crankshaft Bearings. Instead of the usual three.
7. Independent Hand Brake. Completely independent of regular foot brakes.
8. Thirty Frictionless Bearings. More than any other low-priced car.

PLYMOUTH SIX

WITH INDIVIDUAL FRONT WHEEL SPRINGING
HYDRAULIC BRAKES
ALL STEEL BODY
FLOATING POWER

IT'S THE BEST ENGINEERED LOWEST-PRICE CAR

DOMINION STORES PROFIT EQUALLED 1933 DIVIDENDS

Earned $1.20 Per Share; Improvement Marked in Last Half

GAIN CONTINUES

Reduction in Operating Costs More Than Offset Decline in 1933 Sales

While sales by Dominion Stores Ltd. declined 14.25 per cent in 1933, a more substantial reduction in operating costs in effect during the latter part of the year enabled the company to earn $1.20 on the 282,382 shares outstanding an amount just equal to annual dividend requirements and but 7 cents per share under 1932 earnings. In the first six months of the year earnings equalled 55 cents per share as compared with 79 cents in the first half of 1932 according to official statements. In the last half of 1933 the company earned 65 cents a share as against 48 cents per share in the last half of 1932. Net earnings from operations were $5,000 higher in 1933 than in 1932. Drop in net is due to drop in discounts.

Net profit per dollar of sales was 1.7 cents in 1933 against 1.78 cents in 1932 and 2.30 cents in 1931.

Improvement Continues

In the first six months of 1933 net earnings were some $66,000 under those of the first half of 1932. In the second half of 1933 there was an improvement of some $46,000. Operations in January and February, 1933, were unprofitable but in March improvement set in until at the end of June profits approximated those in 1932. Since then there has been a gradual improvement. In recent months sales have been but slightly under sales in the same period of the previous year and in the four weeks ended February 24 the decline was only 1.3 per cent.

Decrease in net profit is due to decrease in discounts saved and interest earned. The range of these discounts was narrower in 1933 while interest earned was lower due to lower interest rates, larger amounts owing the company by municipalities on relief distributed and higher inventories carried early in 1933.

Income and surplus account is as follows:

Income and Surplus Account
Years Ended Dec. 31

	1933 $	1932 $
Gross sales	19,758,367	23,042,272
Less: Oper. cost‡	19,254,042	22,545,240
Net earns. from oper.	504,325	497,033
Add other income:		
Interest earned	37,664	65,902
Discounts saved	49,028	60,987
Total net earnings	591,017	623,922
Less: Prov. for income tax	49,000	48,000
Depreciation	202,739	214,301
Net profits	339,278	361,621
Less appropriations:		
Common dividends	338,858	338,858
U. S. exch. on divid.	31,032	43,029
Deficit for year	30,612	20,266
Add: Prev. surplus	1,113,623	1,201,049
Surplus from insur.	39,406	......
Prof. on bds. sold and reval. of bds. held to mkt. val.	850	97,796
Excess res. U. S. exch.	......	22,804
Less: Inc. tax prev. year	2,470	7,518
Res. for fire losses	......	5,242
Equipment w/o	43,519	......
Res. for losses on stores to be closed	......	75,000
Cap. assets w/d	......	100,000
Balance forward	1,077,276	1,112,623

‡Operating cost including merchandise, selling and administrative expenses.

Working capital position was maintained and ratio of current assets to current liabilities was increased to 3.77 to 1 from 3.58 to 1. Accounts receivable are up to $315,429 from $144,025 due to municipal relief accounts. Inventories are up to $2,584,031 from $2,326,829. Investment in guaranteed investment certificates remains unchanged at $400,000 but investment in government bonds is down to $91,750 from $182,250 and cash is down to $274,129 from $436,018. Bills and accounts payable show little change at $850,656. Working capital position is as follows:

	1933 $	1932 $
Current assets	3,714,235	3,609,122
Current liabilities	984,370	1,006,882
Working capital	2,729,865	2,602,240
Ratio	3.77—1	3.58—1

Fixed assets total $1,393,685 after depreciation as compared with $1,605,597 in 1932. Store and head office fixtures are valued at $1,788,388 and warehouse and bakery buildings at $420,225 a total of $2,208,612 against which there is depreciation reserve of $939,508.

Power Production Sharply Expanding

PRODUCTION of hydro-electric power in Canada during January set an all-time record, and was 24% greater than the production in January, 1933. Since April of last year power output has been steadily increasing.

This consistent gain is significant as a measure of general industrial activity and an indication of better earnings for public utility companies.

We believe the securities of established Light and Power Companies represent one of the safest forms of investment, and recommend:

Security	Rate	Maturity	Approx. Yield
B.C. Power Corporation	5½%	1960	5.39
Canada Northern Power Corp.	5%	1953	5.60
Gatineau Power Company	5%	1956	5.71
Maclaren-Quebec Power Co.	5½%	1961	5.91
Duke-Price Power Company	6%	1966	6.57

NESBITT, THOMSON and Company Limited
355 St. James Street West, Montreal
Branches in all the principal cities of Canada
153

Mass Buying Enquiry

Stevens Not Surprised by Wages Evidence — Thinks Employers Generally Fair — Gives Opportunity for Defense

From Our Own Correspondent

OTTAWA.—Stressing the fact that evidence of sweatshop methods taken by the special committee of the Commons last week, must not be considered as applicable to Canadian industry at large, Hon. Harry Stevens, Minister of Trade and Commerce, informed The Financial Post that nothing has so far been disclosed which has surprised either himself or the higher officials of the department.

"Don't forget," said Mr. Stevens, "that the great majority of Canadian manufacturers are good employers, paying fair wages, charging fair prices. It is on behalf of Canadian manufacturers as well as the workers that this investigation has been launched. It is our good manufacturers, and their name is legion, who suffer from sweatshop prices, just as it is the worker in the good factory that suffers from the wage cutting and long hours of labor of the unprincipled producer. This is the situation we set out to expose; this, and the unethical practices of merchandising and their effect upon industry. It is the working man who is the goat."

Defaulters Few

In making this statement Mr. Stevens had in mind that the way in which the daily newspapers handled the evidence last week would leave the impression that all manufacturers sweat their labor. This, he points out, is not the fact, nor does the evidence warrant such an assumption. Only a small percentage of manufacturers operate sweatshops, but their activities are a thorn in the flesh of the honest producer.

This week the intention is to call the manufacturers named in the evidence given so far and extend to them an opportunity of answering the statements made. Next week the committee will delve into the question of mass buying.

Activity Widespread

Not all the investigation into mass buying and price spreads is taking place in Ottawa. Already retailers are banding together to obtain action by approaching provincial legislatures with requests from legislation to prohibit certain merchandising practices, British Columbia and Alberta being the most active centres

Initial sessions at Ottawa were devoted to investigation of wage rates paid in Eastern Canada, representatives of the Minimum Wage Boards of Ontario and Quebec appearing before the committee. These were followed by Prof. Cassidy, who recently conducted an investigation into labor conditions in the men's factory clothing industry in Ontario and Quebec; by Thomas Moore, president of the Canadian Trades and Labor Congress; by O. J. Kerr, mayor of Stratford, recently the centre of disturbances created by alleged low wages paid in the furniture industry.

Merchants Testify

On the request of Hon. H. H. Stevens, retail merchants' associations throughout the country have been collecting sworn data of bad merchandising practices and representatives of these associations were heard on March 7.

Although considerable progress has been made, the probe is yet in its preliminary stages. Present indications are that the enquiry will take about four months to complete, according to Hardware and Metal, Toronto.

Summary of Evidence

The Financial Post continues its chronological summary of evidence given before the committee:

R. A. Stapells, chairman of the Ontario Minimum Wage Board, was the first witness appearing before the committee when it opened its investigations on February 27.

Mr. Stapells gave a summary of the history of the board. It was brought into existence in 1920, the act calling for five members, two men, two women and a chairman. Two persons were to represent employers and two employees. Persons covered by the act included all female workers in Ontario except farm laborers and domestic servants.

First duty of the board was to determine minimum wage scales and this necessitated a study of cost of living throughout the province. Results of this study placed the minimum wage at $12.50 a week in 1921 in Toronto and this figure is still used in 1933. Other rates for cities were quoted as follows: Over 30,000 except Toronto $11.50; from 5 to 30,000, $10. Investigation since these rates were fixed reveals that little, if any, change has taken place in cost of living, according to Mr. Stapells.

Method of Inspection

The board then arranged for separate conferences for employers and employees, working on one industry at a time. After having obtained the views of both sides, the employers and employees were brought together and the rates fixed. As there was no control of hours of labor, the wages were fixed for the average time that the plant in question was in the habit of working. Although no minimum hours are set, factories cannot work more than 60 hours under the Factory Act.

Four inspectors or negotiators operate under control of the board, two in Toronto, one in Port Arthur and one in Hamilton. These negotiators handle adjustments in payroll necessitated by contravention of the Minimum Wage Act.

Mr. Stapells pointed out that the minimum wage of $12.50 a week does not apply if full-time is not worked. The minimum wage is actually an hourly wage—$12.50 divided by the number of hours the plant works when on full-time.

Most Employers Honest

It is Mr. Stapells' experience that the great majority of employers, who reply to the annual questionnaire of the board, are honest. The questionnaire calls for a statement of wages paid and hours worked by all female employees during a period of twelve weeks, the period being fixed by the board. All employees' names are listed. Returns are collected on approximately 77,500 female employees in Ontario, employed by about 4,000 firms.

Hon. H. H. Stevens suggested that, as employers only had to pay for hours worked on an hourly basis based on the minimum wage of $12.50, that this cancelled the reason for the minimum wage on a cost of living basis. He suggested that this would apply to rush-hour workers in the restaurant business particularly. Mr. Stapells replied that no law could force an employer to pay for hours that were not worked.

Answering a question by Mr. Sommerville, Mr. Stapells stated that experience had shown that store employers were not reducing hours in order to reduce wages but that this had been done by factories.

Many Adjustments

During the past 18 months adjustments of wages were obtained in the case of 340 firms, 320 of which made the adjustments voluntarily and 20 after prosecution, the witness said in reply to a question asked by Mr. Sommerville. Adjustment without prosecution resulted in $20,240 being paid to 589 girls. Fines in the case of prosecutions averaged about $30.

Reasons for prosecutions included under-paying the girls, supplying wrong information to the board, not keeping correct records, and deliberately trying to fool the board. Mr. Stapells stated that he had not found any cases where employers kept one set of cards for the girls and one for the board.

Mr. Stapells was emphatic in stating that the job of the Minimum Wage Board was to see that the law was enforced and that if girls, working short time, were only receiving $7 or $8 a week, it was no concern of the board how they were able to live.

A. W. Laver Testifies

A. W. Laver, Commission of Public Welfare, Toronto, was called on February 27, following Mr. Stapells.

There are approximately 115,000 persons on relief in the City of Toronto, Mr. Laver stated. Payments for relief last year amounted to $6,686,934. Of this amount the province and Dominion between them paid approximately two thirds. In addition to the $2,100,000 paid by the city for unemployment relief, $1,355,000 was paid for hospital services.

In some cases, payments for hospital and relief were occasioned by the low wages paid to persons in full-time employment, Mr. Laver stated. He would not say that low wages were the only cause of bad living conditions but they were an important factor.

Replying to a question by Mr. Sommerville, the witness stated that where relief was asked there was always an investigation into the wages paid, thirty investigators being employed on this work. In some cases it had been found that the low wages being paid girls and men were not sufficient to sustain them. Mr. Laver instanced a firm which was paying girls $12.50 a week under the minimum wage law and discharged them to employ men at lower rates.

Relief for Full-time Workers

Mr. Sommerville suggested that the city was subsidizing this firm by paying relief to its workers at the expense of other firms in the city which were paying adequate wages. Mr. Laver agreed.

Mr. Laver instanced a restaurant paying $10 and $12 a week to full-time male employees and a chain grocery store where the rate of pay was $12.50 and $10 for a 72-hour week. Men employed in these concerns were on partial relief, this being the only way in which cases would come before the Public Welfare Commission.

The witness went on to give specific instances of wages of around $10 a week paid to men on full-time work by Toronto concerns. He named these Toronto concerns but could not say anything of what other employees were being paid as he was only concerned with the wages paid to partial relief applicants. As it was not the business of the public welfare department to interfere in the wages paid to employees, the department had taken no steps to point out to employers that the wages were insufficient to sustain the employee.

Mr. Laver stated, however, that the statements of the employees in applying for relief had been verified with the firms employing them.

Quebec Official Examined

Gustave Francq, chairman of the Women's Minimum Wage Commission of the Province of Quebec, was called and examined on February 28.

The witness outlined the rates of minimum wages set. These had been calculated from the social workers' budget of the Y.M.C.A. which was as follows: Montreal $12 a week; cities and municipalities over 20,000 at $10 a week; towns and rural districts at between $8.50 and $9 a week. Minimum wages set were between $11 and $12.50 in Montreal, depending on the type of work and industry and between $9 and $10 in other parts of the province.

Minimum wages are checked on an hourly basis. Thus, if a girl is entitled to $10 a week minimum for a 50-hour week, her wages are checked on the basis of 20 cents an hour for the time worked. Fifty-five hours is the legal limit for working girls in Quebec, the witness stated.

Permits for Overtime

Permits to work more than 55 hours can be obtained by employers, the witness pointed out. These were frequently applied for in order that the manufacturer might be able to supply goods as per contract. The witness felt that the recent policy of buying from hand to mouth was partly responsible for the necessity of firms working more than 55 hours in order to finish goods ordered. Girls have to be paid extra for working more than 55 hours after the permit is obtained, in some cases time and a half.

Orders of the Quebec board covered 11 different industries, 1,068 workshops and 30,362 working girls, according to the 1932-33 census, the witness replied to a question by Mr. Senn. Five other trades will be covered by orders to be issued early in March and commercial establishments, department and chain stores would be brought under the act early in May, the witness stated.

Difficulties experienced by the board when it was first established chiefly concerned the fact that there was no jurisdiction over hours of labor. Employers merely increased hours of work when minimum wage levels were set. There is now jurisdiction over wages, of course, the witness said.

Arbitration Used

Mr. Francq explained that where an employee claimed that she was not receiving the minimum wage, the board adopted the practice of attempting to come to an agreement with the employer whereby he paid the amount without legal action being taken. This was successful in most cases, the witness said.

The witness explained why more infractions took place in the needle trades than in any other. He said that a pants manufacturer, for instance, was being paid only $3 a dozen by another manufacturer for men's pants, the materials of course, being supplied. It was impossible for these firms to pay minimum wages and exist, he said.

Mr. Francq blamed the prices set by the "big buyers" for the small amounts offered sub-contractors for work done. When these sub-contractors were asked why they accepted the contracts their invariable reply was that their plant was idle.

Some Minimums Low

In the biscuit and confectionery industry the wages being paid were so low that it was impossible for the board to enforce the regular minimum wage, so a minimum of between $7 and $9 a week was set. Wages previously had varied between $1.50 up to $6. This industry was only brought under the board in June, 1933. It has been found, the witness stated, that other confectionery firms were able to pay higher wages and remain in business and that was because they were turning out a better article. He felt that workers at about $3 a week would never turn out a satisfactory article.

Average rate of pay to girls in the textile industry was quoted at $10.72 in 1933 and $13.25 in 1932. There were 8,713 girls in the industry in Quebec.

Manufacturers Complain

Prior to the afternoon session on February 28, two telegrams were read, one from J. S. McLean, president of Canada Packers and the other from the Cosgrave Export Brewery Co., signed by the president. Mr. McLean's telegram asked for the names of the two employees mentioned by Mr. Laver as receiving wages on which they were unable to live without relief. Mr. McLean stated that all female employees were receiving at least the minimum wage and that the minimum for male employees was $16.80 a week.

James E. Cosgrave definitely charged that statements made by Mr. Laver regarding the wage paid to one of their employees were false. The minimum wage paid was 45 cents an hour In the example stated, Mr. Cosgrave stated that the man worked only two days at 49 cents an hour.

The committee decided to reply to these telegrams to the effect that an investigator has been appointed to look into the cases quoted by Mr. Laver.

Prof. Cassidy Appears

Professor H. M. Cassidy appeared before the committee at the afternoon session on February 28. Prof. Cassidy filed "Report on Labor Conditions in the Men's Clothing Industry," result of an investigation made by himself and Prof. Scott, of Montreal, and also a number of specimen pay envelopes.

The witness stated that he and Prof. Scott conducted an investigation, at the joint request of the Canadian Garment Manufacturers' Association and the Amalgamated Clothing Workers' Union, into labor conditions in the men's factory clothing industry. The investigation dealt chiefly with manufacturers of men's factory clothing although other textile workers were included incidentally.

Average Wages Quoted

Prior to the depression, the witness stated, wages of employees in the industry were relatively good but irregular employment was always one of the chief problems. A worker could only count on about 36 to 40 full weeks work a year. Since 1931, however, the witness thought that workers had been employed no more than 50 per cent of full time.

Annual average earnings in the industry were $1,068 in 1929 while the good workman could make between $1,700 and $2,000 at that time. Since the depression, however, the average wage has probably been reduced to $600 or $700, Prof. Cassidy thought.

Unionization of some of the Montreal shops in September, 1933, resulted in increases of as much as 60 to 70 per cent in wage rates but even then wages were below the corresponding rates paid in Ontario.

Quotes Wages of $4

The witness read the wages for 16 consecutive weeks of a girl worker in a Toronto non-union shop. They ranged from $4 to $8, the increases being explained by the fact that the girl became more experienced and therefore ranked higher wages on a piece-work basis.

Wages and earnings in Quebec were found to be lower than in Ontario. The witness quoted the rates in a small Montreal contract shop employing 77 workers. Working on full time, 52 of the 77 were paid $7.50 a week or less. The full working week was 52 hours.

Definite evidence was obtained that firms paying decent wages had lost work to other concerns where starvation wages were the rule, the witness stated.

Laws Violated

Prof Cassidy quoted from his report as follows:

"The evidence we have gathered leads us to believe that there has been serious and extensive violation of the Minimum Wage law in the non-union shops in Toronto, with many experienced workers earning no more than from $8 to $10 weekly in place of the $12.50 which they should receive."

Many evasions and failure to report to the Minimum Wage board were noted in Quebec. The practice of allowing employers to select one week from a given month to file employment and wage records was criticized by the witness.

Prof. Cassidy stated that the recommendation contained in the report suggested a board of control for the Canadian industry. Legislation would have to be enacted by the federal government giving Quebec and Ontario jurisdiction.

The loss-leader was termed a device which ought to be done away with. Manufacturers not only complained of the hard bargaining of the large buyers but to the fact that overcoats, for instance, of high class cloths were being offered in the department stores at less than cost of the cloth. In one case where an overcoat was offered for $25 it had actually cost the manufacturer $47 to produce, the witness stated.

Provinces Drop Companies Act Ottawa Pained

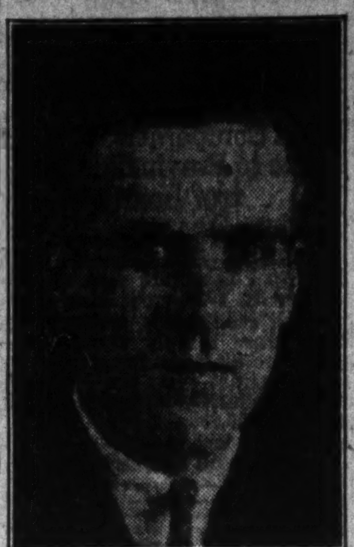
From Our Own Correspondent

OTTAWA. — Considerable surprise and irritation has been aroused at Ottawa by the decision of Ontario and Quebec to drop the model companies act for the present year.

Hon. C. H. Cahan, Secretary of State made a brief explanation in the House of Commons last Monday in which he pointed out that the two provincial Governments while they had announced their decision to the press had not sent any intimation of it to Ottawa. He was completely in the dark as to why the revised bill has been found to be unsuitable.

It is understood that Ottawa has never been over enamored of the legislation and that no protest is likely to be made because of the decision to hold the measure over until 1935.

New President



HUBERT M. PASMORE

Of Montreal, is the new president of Fairchild Aircraft, Ltd. This follows the securing of a majority interest in the company by Canadians.

HUNT'S REPORTS SALES DECLINE LOSS IS SHOWN

Working Capital is Maintained; Recent Sales Improve

With sales at $802,390, nine per cent below the 1932 level, Hunt's Ltd. had net operating income of $39,230 as compared with $50,041 in 1932. After providing for depreciation reserve to the amount of $50,478 the company had a loss in 1933 of $11,248 before paying dividends on the class A and class B shares at the rate of 50 cents per share. In the past month there has been an increase in sales over sales in the same period of 1933.

It is stated that the additional tax of two cents per pound on sugar instituted in 1933 has had a serious effect on earnings. Prices cannot be raised at the present time due to economic conditions in the country. The income and surplus account is as follows:

Income and Surplus Account
Years Ended Dec. 31

	1933 $	1932 $
Sales	802,390	881,389
Net oper. income	39,230	46,183
Add: Other income	......	*3,858
Net income	39,230	50,041
Less: Depreciation	50,478	50,461
Net loss	11,248	420
Less appropriations:		
Class A divids.	9,330	20,521
Class B divids.	7,502	16,500
Deficit for year	28,080	37,441
Add: Prev. surplus	135,047	172,691
Less: Tax adjust	......	203
Balance forward	106,967	135,047

*Profit on sale of securities.

Working capital is slightly lower at $49,811. Cash is down to $7,324 from $14,348 while special savings account is slightly higher at $40,045. Inventory is shown at $35,737 and accounts receivable at $9,796. Accounts payable have been reduced to $27,367 from $32,252 and accrued expenses are up to $11,516 from $6,197. Working capital position is as follows:

WORKING CAPITAL

	1933 $	1932 $
Current assets	92,902	98,156
Current liabilities	43,091	46,863
Working capital	49,811	51,293
Ratio	2.15.1	2.09—1

Capital assets at depreciated values are shown at $612,376. Investment in subsidiary company up to $36,119 from $33,439. There has been no change in shares outstanding with 19,656 shares of class A stock and 15,000 shares of class B stock which are given a book value of $608,337.

FIDELITY TRUSTS PROFIT IS LOWER

Investment Reserves Increased to $45,000; Has More Accounts

Fidelity Trusts Co. of Ontario, Niagara Falls, had net operating profit of $2,518 in 1933 and after provision of $7,202 as reserve for investments and $634 for depreciation on premises and furniture, carried forward a deficit of $4,091. Paid-up capital remains at $190,200 while reserves are up to $45,000.

Increase is reported in the number of savings accounts and in the number of new estates and trusts placed with the company. The volume of estates, trusts and agencies is down to $310,067 from $316,369 and guaranteed trust funds are down to $144,893 from $168,342.

Government and municipal bonds in guaranteed trust account are down to $49,908, including interest, from $61,516 shown in 1932; cash is shown at $4,000 and real estate loans are down to $76,428 from $81,457. In capital account first mortgages are down to $73,234 from $86,778 while properties on hand for sale and properties held under legal proceedings amount to $22,430 as against $10,496 in 1932.

Record of the company for the past six years is as follows:

Earnings Record

Year	Paid-up Capital $	Net Profits $	Div. Rate %	Rate Earned %
1928	153,120	...	...	...
1929	190,200	4,204	...	2.2
1930	190,200	6,955	...	3.6
1931	190,200	6,517	...	3.4
1932	190,200	...	...	...
1933	190,200	†1,885	...	...

†Less depreciation.

Year	Guar. Account	Estates under Adminis.	Total Reserves $
1928	1,120	23,998	......
1929	42,853	304,247	......
1930	67,642	273,122	......
1931	137,969	264,545	38,129
1932	168,341	316,638	37,797
1933	144,892	310,067	45,000

FRASER GROUP ADD TO STRENGTH OVER PAST YEAR

Liquidation of Inventories Carried Out on Big Scale

From Our Own Correspondent

MONTREAL—Liquidation of inventories enabled the Fraser Cos. group to effect a sharp reduction in bank loans and generally improve their working capital position in 1933.

The consolidated report of Fraser Cos., Fraser Paper and Restigouche Co., shows earnings last year of $1,115,540 before providing for depreciation, depletion and interest charges. This compares with only $111,477 in the previous year.

The loss for the year after making provision for all charges was $615,448, or $1,700,973 less than in the previous year. Of this improvement operating results contributed $1,080,059.

Cut Down Deficit

Particulars of the profit and loss account for the past three years follow:

	1933 $	1932 $	1931 $
*Net earn	1,115,540	111,477	1,382,341
Less:			
Inv. depr.	......	355,432	363,087
Deprec.	490,043	553,815	560,488
Deplet.	42,772	261,018	44,825
Bond int.	782,880	792,359	647,084
Deb. int.	......	......	390,000
Other. int.	415,293	465,273	736,972
Net loss	615,448	2,316,422	1,260,110

* After operating expenses, taxes, etc., provision for bad and doubtful debts.

Working Capital Position

	1933 $	1932 $	1931 $
Cr. assets	2,744,884	3,456,381	5,645,893
Cr. liabs.	2,833,970	4,523,312	4,279,788
Wk. cap.	*89,086	*1,066,931	1,369,105

* Excess of current liabilities over current assets.

$1,452,291 Off Bank Loans

Consequent upon the betterment in operations, the balance sheet underwent an improvement. The working capital position, as already shown, improved nearly $1,000,000. Bank loans were cut down from $3,353,291 to $1,901,000. The special loan and accrued interest thereon, however, shows a moderate increase from $2,483,706 to $2,634,965 due to accrued interest. The amount of the special 10 year prior lien bonds held by the bank as collateral security amounts to $470,000 as against the authorized issue of $2,000,000.

The funded debt of the consolidated organization now stands at $14,657,806, up from $13,817,666 in the previous year. The increase is due to accrued interest and interest on deferred interest. These interest charges have been considered as a fixed charge rather than a current liability, as they have been postponed under the terms of the reorganization.

Inventories Are Lower

The only change of particular interest among the assets is a reduction in inventory values from $3,240,898 to $2,155,969.

Covers Improvements

In his report to the shareholders, K. S. MacLachlan, president, had the following to say in part:

Particulars of Operations

"The Restigouche sulphite pulp mill operated at full capacity during the entire year. A greater volume of business was obtained for the pulp and paper mills at Edmundston, New Brunswick, and Madawaska, Maine, than during the previous year. In spite of this improvement, these mills were operated at considerably less than their capacity.

"The average market values of both pulp and paper were lower than during the previous year, but production costs were reduced sufficiently to offset this disadvantage and obtain an improved result.

"The volume of lumber sales was approximately the same as during the previous year, but an increase in price level was established. The market in the United Kingdom was more active and the demand greater.

"Results of operations during the last half-year represented an improvement over those obtained during the first half-year, but the improvement was not sufficient to overcome the loss which had already been incurred."

Drummond St. Realty Bondholders to Meet

From Our Own Correspondent

MONTREAL. — General mortgage bondholders of Drummond St. Realty Co. will meet some time in April or May to discuss affairs of the company and to decide on a policy in respect to interest charges which are now in arrears. During the past year it is understood the company earned its operating costs with a balance sufficient to take care of first mortgage interest. By the time of the meeting, however, full financial details will be available.

Public Utility Earnings

Winnipeg Electric

January:	1934 $	1933 $	Dec. $
Gross earn.	456,734	497,316	40,582
Oper. exp.	289,827	298,080	8,252
Deprec.	45,652	45,506	146
Net earn.	151,254	153,729	2,475
Taxes	29,586	29,730	144
Bond int.	74,083	74,083	......
Bank int.	6,667	11,426	4,758
Net income	40,916	38,488	*2,427

*Increase.

Barcelona Traction

January:	1934 Pesetas	1933 Pesetas	% Incr.
Gross earn.	11,071,672	10,726,410	3.32
Oper. exps.	3,707,679	3,278,262	13.10
Net earn.	7,363,993	7,448,148	*1.13

*Decrease.

Jamaica Public Service

January:	1934 $	1933 $	Increase $
Gross earn.	72,238	70,401	1,837
Net earn.	29,037	30,796	*1,759
Surp. after chgs.	19,593	21,502	*1,909

*Decrease.

East Kootenay Power

January:	1934 $	1933 $	Increase $
Gross earn.	37,551	33,265	4,286
Oper. expenses	12,205	12,955	†750
Net earn.	25,346	20,130	5,036

†Decrease.

Ten Mos. end. Jan. 31:

	1934 $	1933 $	Decrease $
Gross earn.	339,095	357,398	18,303
Oper. expenses	111,657	117,184	5,527
Net earn.	227,438	240,214	12,776

Metal Prices

New York—March 6—
Copper: Electrolytic spot and future, 8c.
Silver: 46¼c.
London—March 6—
(Long Ton)—
Copper: Electrolytic spot, £35 10s; future, £36 5s.
Stand. spot, £32 17s 6d; future, £33 2s 6d.
Tin: Spot, £229 17s 6d; future, £228 15s.
Lead: Spot, £11 12s 6d; future, £12.
Zinc: Spot, £14 17s 6d; future, £15 5s.
Silver: 20 9/16d per ounce.
Gold: 137 2s.
Canada—March 6—
Gold: $34.93.

GOODRICH SALES SLIGHTLY DOWN, EXPENSES LESS

Loss After Depreciation—Liquids Gain—Owes Associate Company $1,500,000

Canadian Goodrich Co., Kitchener, Ont., sales were $2,214,323 compared with $2,322,284 in 1932 but trading profit at $223,832 compared with $214,965 and this better result was enhanced by $21,304 income from other sources. After interest and depreciation of $188,989 there was a net loss for the year of $97,683 which brings the accumulated deficit to $1,927,539.

CONSOLIDATED INCOME ACCOUNT
Years Ended December 31

	1933 $	1932 $
Deficit forward	1,927,539	1,829,856
Trading profit	223,832	214,965
Other income	21,304	......
	245,136	214,965
Less: Int. on loans	68,150	64,509
1st mtg. bond int.	12,278	13,083
Inc. bond int. res.	73,402	73,402
W/d invent. res.	......	4,543
Depreciation	188,989	135,859
Add: Exch. adj.	......	101,486
Net loss for year	97,683	34,946
Add: Prev. loss	1,829,856	1,794,910
Deficit forward	1,927,539	1,829,856

Far East Imports Grow

J. D. Tew, president, stated domestic business showed a gain but export shipments continued to decline because of adverse exchange. With the addition of a new tire line he expects more sales in the tire division but reports rapidly increasing imports of rubber and canvas footwear from the Far East. He fears that these, along with unsettled conditions in the tire industry, may have an unsatisfactory influence on earnings in the footwear and tire divisions.

Working capital is strong as shown by the following table:

WORKING CAPITAL

	1933 $	1932 $
Current assets	2,133,238	1,881,557
Current liabilities	477,307	373,977
Working capital	1,655,931	1,507,580
Ratio	4.47—1	5.03—1

Cash and Inventories Gain

Increase in current assets is the net result of the following changes: cash up from $748,299 to a composite total of $816,708 made up of cash $343,208 and Dominion of Canada bonds $473,500; accounts and notes receivable down from $436,278 to $423,880; and inventories up from $696,985 to $892,650. Shown outside the current assets there is an item of $19,832, cost of Ontario bonds due 1936.

The increase in current liabilities is the net result of changes in the following items: accounts payable up from $253,365 to $310,640; accrued interest on loan up from $120,612 to $166,667.

Common Share Equity $3.20

The loan from the associated company, B. F. Goodrich Co., of Ohio, came down during the year from $1,696,113 to $1,500,000.

The first mortgage bonds were reduced from $184,900 to $160,400 and the 7 per cent 2nd mortgage income bonds remained the same at $1,048,600.

It is apparent that the loan would be covered by net current assets with $175,016 to spare. This fails by $81,891 to be enough to cover reserve of $256,907 for accumulated interest on second mortgage income bonds. The land, buildings and equipment, depreciated 40 per cent to $1,822,102, cover the remaining $81,891 and also the reserve of $258,439 for contingencies (including $250,208 transferred from provision at the end of 1932 for foreign exchange fluctuations and now retained for possible loss on final settlement of liabilities), leaving $1,481,772 of additional valuation to cover all bonds. This leaves the remaining balance sheet value of fixed assets at $272,772, equivalent to $3.20 a share equity behind the 85,885 no par value common shares.

Canadian Celanese Cut Dividend Arrears to $25.50

From Our Own Correspondent

MONTREAL. — Canadian Celanese directors have taken further action on the preferred stock dividend arrears by declaring a special dividend of 75 cents a share, payable along with the regular quarterly dividend on March 31 to shareholders of record March 16. This reduced arrears on the preferred stock to $25.50 a share.

OUR WEEKLY LETTER
Deals With
THE NEWSPRINT INDUSTRY
Copies on request.
PITFIELD, MATHEWSON & CO.
Members Montreal Stock Exchange Montreal Curb Market
235 St. James Street West, Montreal MA. 9121
Ottawa, Ont. Saint John, N.B. Halifax, N.S. London, Eng.

National Steel Car Corporation Limited
Builders of Passenger Cars — Freight Cars — Street Cars — Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts — Steel Pressings — Forgings — Drop Forgings.
HAMILTON, ONTARIO, CANADA
621 St. James Street, MONTREAL, QUE.

J. S. Mitchell & Company Limited
Geo. W. Murphy — *Vice-Pres. and General Manager*
Wholesale and Retail
Shelf and Heavy Hardware, Asbestos and Galvanized Roofing, Plumbing Supplies
Specializing in Mining, Mill and Contractors Supplies
Steam Coal, Hard Coal and Coke, Electric Supplies, Sporting Goods
78-80 Wellington St. North SHERBROOKE, QUE.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

STEEL STRUCTURES
PLATE & TANK WORK
CAISSONS, BARGES
RAILWAY & HIGHWAY BRIDGES
SWING & BASCULE SPANS
COAL & ORE BRIDGES
Hydraulic Regulating Gates and Operating Machinery
Liftlocks, Turntables, Electric and Hand Power Cranes
Gear Cutting, General Machine Work, Forgings
DOMINION BRIDGE COMPANY LIMITED
HEAD OFFICE - LACHINE (MONTREAL) QUE.
BRANCH OFFICES AND WORKS:
MONTREAL OTTAWA WINNIPEG VANCOUVER
AMHERST TORONTO CALGARY
AGENCIES: EDMONTON REGINA

News of Investment Markets

GILT-EDGED LIENS CONTINUE GAINS WESTERNS STATIC

Institutional Investors Find Attractive Investments Scarce

Gilt-edged bond yields declined sharply with the rise of prices in February, and continued the improvement in the week ended March 6. The Financial Post's average yield on seven high grade issues stood at 4.270 at Feb. 28, compared with 4.437 at Jan. 31 and 4.536 at Dec. 30, 1933. This improvement in the gilt-edged market is attributed largely to an inflow of investment from the United States, and to some extent from British sources. Canadian institutional investors find themselves hard put to find attractive investments, it is understood.

Downward course of yields on gilt-edged bonds is shown below. Actual borrowing rates for prime securities might be lower than the average figure because it is made up entirely of 4½ and five per cent loans, which normally sell at higher yields than issues bearing lower coupon rates.

Average Yield on Seven High-grade Canadian Bonds

	%		%
Mar. 6	4.213	Feb. 28	4.270
Mar. 5	4.219	Feb. 27	4.279
Mar. 3	4.224	Feb. 20	4.310
Mar. 2	4.233	Jan. 31	4.427
Mar. 1	4.260	Dec. 30	4.536

Western Provincials

Western provincial issues failed to show improvement comparable to that of the gilt-edged market. Announcement by B. C.'s premier, Pattullo, of plans to refund the provincial debt, reported in The Financial Post of March 3, worked only slightly to the detriment of that province's securities. This and the relatively static condition of the market for western issues is indicated below:

Bid Prices Western Provincial Issues

	Mar. 5	Feb. 27	Chge.
Alta. 6's, '47	100	100	...
B. C. 6's, '47	99½	100¼	—¾
Man. 6's, '47	100	100¼	—¼
Sask. 6's, '52	98½	98½	...

Announcement by Manitoba that the province does not intend to take the B. C. attitude toward its funded debt is considered reassuring. However, the province has not had a completely satisfactory budget experience, although a surplus is estimated for 1935.

Corporation bonds were firm. Indicative of consolidation of a series of gains.

Only sale of importance in the week was of $15,000,000 in three and eight months treasury bills by the Dominion Government. Bids were accepted at a cost of 2.85 per cent for three months money and 3.12 for eight months bills. The issue was oversubscribed.

Calling of tenders on a treasury bill issue in this manner sets a precedent in Canadian finance Some observers think it indicates the opening of a short term bill market in anticipation of the needs of the proposed central bank.

Sale was made recently of $3,000,000 Ontario guaranteed bonds of the Provincial Hydro-Electric Commission to one of the chartered banks at 100, it is understood. This is the balance of an issue of $9,000,000, of which $6,000,000 was marketed in January, 1933. John Graham & Co., Ottawa, bought $8,500 of Rockliffe Park 5½ per cent, 15-year serial debentures at 100.58.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

5000 Facts About Canada
By Frank Yeigh. 1934 Edition out. 50 Chapters. An indispensable tabloid cyclopedia of the Dominion. Agents wanted. Send 35 cents for a copy or 3 for a Dollar to
588 Huron St., Toronto

Investors' Chronicle
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER, INVESTORS' CHRONICLE,
20, BISHOPSGATE, LONDON, E.C. 2, ENG.

Canadian Pacific Express Travellers Cheques Are World Currency
Carry them on your next trip and be assured of travel comfort.
Get them from any agent of the Canadian Pacific & most Banks

5% DEBENTURES
A Legal Investment for Trust Funds
SAFETY-SECURITY
THIS COMPANY DOES NOT TAKE DEPOSITS, an added element of security for our Debenture Holders.
The Real Estate Loan Co. of Canada Ltd.
Incorporated 1879
521 Confederation Life Bldg.
TORONTO CANADA
EL. 0530

St. Lawrence Paper Mills In Red For 1933

From Our Own Correspondent

MONTREAL—St. Lawrence Paper Mills' financial statement for 1933 is expected to show an operating loss of around $300,000 before depreciation and depletion. This is approximately the same as was reported in 1932.

Last year was not an especially good one for St. Lawrence Paper Mills. The volume of newsprint tonnage available to the company did not show any appreciable gain over that handled in the previous year. Mill operations were conducted at less than half of rated capacity.

While no particulars are available as to the balance sheet, it is expected that the net working capital will be maintained at a figure somewhere in the neighborhood of that reported at the close of 1932, namely, $1,075,899. Among the current liabilities in the last report was a bank loan of $229,972.

In the last three months the operating position of St. Lawrence Paper Mills has undergone an improvement, due to the receipt of additional tonnage from the pool arranged on the formation of the Newsprint Export Manufacturers' Association of Canada. The company is securing nearly 1,000 tons of additional business each month from this source.

STOCK TREND SHOWS CHEER RE OUTLOOK

Value of All Dividend-Paying Stocks Advanced in Two Months

The February bulletin covering statistics for the first complete month's trading since the merger of the Toronto Stock Exchange and the Standard Stock & Mining Exchange, is a cheering document inasmuch as many business men regard the stock exchange as one of the best barometers of coming business weather. Prices went up from the first of the year to the middle of February as shown by the fact that yields on various stocks have declined to the following extent:

Average Weekly Yields of 1934

Type of Stock	W. E. Jan. 6	W. E. Feb. 28	High to date
Bank	5.37	4.91	5.37
Pref.	7.50	7.08	7.50
Common	5.35	4.68	5.35
Golds	5.97	6.62	6.62
*All	6.20	5.78	6.20

* Lowest point since January 1 for average yield on all stocks was for the week ended February 17 at 5.67. For the next 11 days the yield increased as prices dropped.

Metal Values Grow

Other statistics show gold output in January for Ontario to be 37 per cent in value above the January output of 1933, nickel exports in January to be 11½ times exports in January, 1933, power production to be up 25 per cent as compared with January in 1933. The Bulletin also shows London gold, bar silver, tin and zinc to have advanced in price in February, lead to have stayed at 4 cents a pound and copper to have dropped slightly.

Out of 35 annual financial statements published in February, 28 showed gains in net profit and eight showed losses. Car loadings in January and February were ahead of a year ago and so were ore receipts at Trail smelter

There were 5 changes in partnerships in member firms of the Toronto Stock Exchange, presumably as a result of the merger.

Prudential Trust Co. Capital Change Approved

From Our Own Correspondent

MONTREAL. — Reduction in the capital of the Prudential Trust Co., of Montreal, from $350,000 to $175,000, through reducing the par value from $20 to $10 a share, has been approved by the Banking and Commerce Committee of the House of Commons. Under the new set-up the capital of the company will be less than the required amount of $250,000 necessary for an insurance company to have before dividends can be paid. An additional clause was inserted in the bill providing that no dividends can be paid until the subscribed and paid up capital amounted to $250,000.

Bond Sales

Ontario Hydro

Ontario Hydro-Electric Power Commission has sold $3,000,000 of 4½ per cent 5-year bonds to a chartered bank at par.

Dominion of Canada

Bids for $2,450,000 three-month treasury bills of the Dominion and $12,550,000 of eight-month bills, a total of $15,000,000, have been accepted. Average cost of the three-month bills was 2.85 per cent and of the eight-month bills 3.12 per cent, indicating average bids of 99.2875 and 97.92 respectively.

Rockliffe Park

Village of Rockliffe Park, Ont., has sold $8,500 of 5½ per cent 15-year serial debentures to John Graham & Co., Ottawa, at 100.58, a cost basis to the village of approximately 5.41 per cent. Bids were:

	Bid
John Graham & Co.	100.58
C. H. Burgess & Co.	100.00
Matthews & Co.	98.50

Index to Mining Stocks

The weighted index number of twenty-three mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 115.4 for the week ending March 1, as compared with 115.4 for the previous week.

Nineteen gold stocks rose from 111.0 to 111.6, and four base metals stocks fell from 135.6 to 133.5.

NEW RUBBER BELTING
all sizes up to 24" and used Leather Belting at Special Sale prices. Rubber Hose for Steam, Water, Suction. Wood Split Pulleys. Ball Bearings, Hangers, Shafting and machinery of all kinds.
Write for Price List.
N. SMITH BELTING WORKS
138 York St., Toronto.

TIP TOP TAILORS EARNINGS GAIN INVENTORIES UP

Earned $6.23 Per Share of Preferred Stock; Sales Higher

Reporting an increase in business during 1933 both in dollar volume and unit volume, the annual statement of Tip Top Tailors Ltd. shows net earnings from operations at $220,423 as compared with $33,268 in 1932. After providing $127,232 for depreciation and $10,000 for taxes, the company earned $6.23 per share on the 13,341 shares of seven per cent preferred stock outstanding. Since only three quarterly dividends on this stock were paid during the year surplus was increased by $13,151.

During 1933 the company acquired two old-fashioned clothing businesses. At the end of 1933 there were 52 stores in operation, an increase of one during the year.

Income and surplus account is as follows:

Income and Surplus Account Years Ended Dec. 31

	1933 $	1932 $
Net earn. from oper.*	220,423	33,268
Less: Depreciation	127,232	125,366
Income tax res.	10,000	......
Net profits	83,191	°92,098
Less appropriations: Pref. dividends	70,040	93,510
Surplus for year	13,151	°185,608
Add: Prev. surplus	905,652	1,082,242
Profit from invest.†	......	62,427
Less: Reserve agst. invest.	......	31,780
W/o empl. share purch. fund	......	21,629
Balance forward	918,803	905,652

*After charging all expenses of manufacturing, distribution and management.
°Deficit. †Surplus from disposal of investment in subsidiary.

Working capital was increased to $1,083,619 from $990,537. Chief change is the increase in inventories accounted for by heavier purchases of woollens made when the market was favorable. Inventories are up to $1,142,770 from $646,624 and as a result cash is down to $11,685 from $198,976 and there are bank advances of $392,596. Investments remain at $92,290; cash surrender value of life insurance amounts to $125,696 and accounts and bills receivable are up to $209,039 from $139,047. Notes payable have been reduced to $50,600 from $113,125 and accounts and bills payable to $51,204 from $84,718.

WORKING CAPITAL

	1933 $	1932 $
Current assets	1,610,492	1,213,727
Current liabilities	526,873	223,190
Working capital	1,083,619	990,537
Ratio	3.05—1	5.44—1

Fixed assets are shown at $1,658,661 after reserve of $590,006 for depreciation. There remain outstanding 13,341 shares of preferred stock and 147,500 shares of common stock.

C. P. AND P. TRUST ACCOUNTS LOWER AT CLOSE OF 1933

Further Shrinkage in Equity and Earning Power

From Our Own Correspondent

MONTREAL—Canadian Power and Paper Investments financial statement and income account for 1933 reveals a further shrinkage in assets and earning power.

Revenues for the year totalled $156,853 compared with $209,548 in the previous twelve months.

The reduction in income necessitated default in the payment of interest at the beginning of last August. A debenture holders' protective committee was formed and a reorganization plan drawn up. The debenture holders are meeting on March 26 next to pass upon the scheme. Approval will give the debenture holders majority control of the common stock.

Particulars of the income account for the past two years follow:

	1933 $	1932 $
Gross revenue	156,853	209,549
Less: Expenses	5,504	7,928
Loss on sale of sec.	57,145	298,396
Int. on loans	68,759	103,527
Debenture int.	120,000	120,000
Exch. Premium	9,910	18,885
Deficit	104,465	339,187
Brought forward	220,183	559,451
Less adjustments	314	80
Carried forward	115,404	220,184

At the end of last year the company had book assets totalling $6,919,283 compared with $7,322,740 in the 1932 report. The principal item is in investments with a book value of $6,876,838 and a market value of $1,747,824. At the close of 1932 the book value of investments was $7,241,704 and the market value $2,875,040.

Overlooked 1930 and 1931

In this connection the trustee for the debenture holders, Montreal Trust Co., informed the auditors that there was a technical default on the debentures as the company had failed to maintain the equity set forth in the trust deed. The trustee also points out that a technical default existed at the end of 1932. Examination of the company's accounts shows that neither the trustee nor the auditor drew attention to the fact that a technical default also existed in 1931 and 1930.

Collateral is Ample

Among liabilities no change is noted in outstanding debentures, preferred or common stocks. The bank loan has been reduced from $1,193,790 to $843,208. In this connection it is interesting to note that against the loan of $1,193,790 the lenders held collateral having a market value of $1,629,687. Yet against a loan of $843,208 the lenders hold collateral having a market value of $1,701,607 or more than double the value of the loan.

Bond Tenders

Mar. 12, 6 p.m., Smiths Falls—$40,000, 5 per cent 10-ins. debentures. J. A. Lewis, clerk.

Mar. 31—Township of Cumberland, Ont.—$11,000, 5½ per cent debentures, due 1934 to 1943. R. J. Kennedy, clerk and treas., Cumberland. (See announcement on page 14.)

Investment Notes

Significant Investors' Index Numbers
1926 = 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities:	17	6	4	4	10	18	8	87	20	117
1929-33:*										
High	388.8	118.2	267.4	416.8	110.1	193.8	241.9	311.6	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
Weekly Figures, 1934:										
Feb. 1	106.8	11.8	76.4	153.6	68.5	131.3	186.7	124.4	56.7	92.1
Feb. 8	112.6	13.1	75.8	152.9	68.0	133.2	176.3	124.3	58.2	93.1
Feb. 15	112.7	12.4	75.7	150.1	70.5	131.9	170.6	123.0	58.4	92.3
Feb. 22	114.7	13.1	79.4	156.2	75.3	133.3	174.9	127.4	58.7	94.5
Mar. 1	113.6	13.1	79.5	151.9	75.4	134.1	174.0	126.2	57.5	92.7

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator in page one.

Abitibi Bonds

NEWSPAPERS have carried notices recently as follows:

"We will exchange your Abitibi bonds for certificates of deposit free and pay a premium of $25 for each $1,000 bond."

The scheme is based on the spread between the prices for Abitibi bonds and certificates of deposit. A bondholder, for instance, could sell a $1,000 bond for approximately $30 more than he would have to pay for a certificate of deposit. The advertiser, if he receives Abitibi bonds in response to his notice, would probably sell them and buy certificates of deposit.

There is an advantage of approximately $30 to the advertiser, of which $25 is paid to the bondholder. Bondholders could obtain the entire $30 profit themselves, but many of them would deposit their bonds and receive certificates in exchange without realizing any profit. Instead of doing this, the bondholder can sell his bond and buy certificates of deposit obtaining the entire profit himself.

Beauharnois Advancing

DICKSON, Jolliffe & Co., believing that the Government investigation in 1931 in no way discredited the inherent soundness of the Beauharnois Power Corp. enterprise, state in the course of a four-page analysis of the possibilities of the common stock that the undertaking is steadily progressing under the complete change in management and control that took place.

With $60,000,000 already spent on the project, with 200,000 horse power financed and installed, with 125,000 horse power sold and with 400,000 horsepower assured of sale by 1938 under the contracts with Montreal Power and Ontario Hydro and with practical assurance of development of 500,000 horsepower by 1938, this pamphlet foresees interest nearly earned in 1934, more than earned in 1935 and earned with $1,000,000 surplus in 1938. If establishment of new industries to take advantage of cheap power eventually makes it desirable, the consent of the Dominion Government and Quebec governments might be secured for sufficient water to bring total power to 2,000,000 horsepower.

In any case the common stock is, the pamphlet says, "assured of a surplus of $1,000,000 a year from 1938 on." The Montreal Power and Ontario Hydro-Electric engagements at almost $15 per horsepower will cover that. Additional customers secured would mean additional revenue.

Brewing Corp. Expands

ANOTHER step in the steady policy followed by Brewing Corp., of reducing the large surplus of brewing capacity in the province of Ontario over consumptive requirements, has been taken in the purchase of the 40,000 barrel plant of the Welland brewery (formerly Cron Miller & White), a very old company established in 1850. As the purchased brewery is already in process of dismantling, this leaves the company's large subsidiary, Taylor & Bate, the only brewery in the Niagara Peninsula. The two plants were 15 miles apart and total capacity was much beyond present needs of the district. Inventory of the Welland Brewery will be used by Taylor & Bate.

C. P. R. Preference

BEFORE any dividend can be paid on the ordinary shares, the Canadian Pacific Railway must pay four per cent on its preference stock. Despite the seniority of the stock, both in respect to equity and earnings, the preference shares are quoted on the London market at a price well under that bid for the ordinary shares. Last Friday the preference stock was quoted at 54½ to 55. The ordinary shares were quoted at 16½, or the equivalent of 66 on the old stock. Thus there is a spread between the two issues of 11 points in favor of the ordinary, when the preference is senior in every respect except voting power.

Consumers' Gas Sales Gain

SINCE October, industrial sales of Consumers' Gas Co. have shown a marked gain, according to Arthur Hewitt, vice-president and general manager of Consumers Gas Co. Domestic sales have shown little change but the company anticipates that these will increase as well because in past experience such gain generally follows industrial gains after several months.

Decided gains in the United States in the manufactured gas industry also give more encouragement to the industry in Canada as the Dominion has generally followed the trend south of the line after a lapse of six months. Severe weather has caused a spurt in heating demand which may be temporary but increasing employment would naturally be expected to be followed by a more permanent gain in the number of connected meters.

The company is very hopeful of encouraging gains over a long period in house heating and in refrigeration in addition to the usual outlets. The advantage of refrigeration sales of gas is that the demand is constant and unaffected by weather. Increase is expected on the ground that operating costs are low.

The company is somewhat hampered in the sale of house heaters, as compared with the United States because there is no near-by coal and there is a duty of 75 cents a ton on coal from the United States. Its coal will also be dearer as the result of N.R.A. policies in the United States. If contracts were made today at present prices the company would pay double what it did a year ago. This will have a serious effect on all Central Canada industries depending on supplies of coal from the United States. The situation has not changed sufficiently as yet to make purchases of Nova Scotia coal economic for Toronto.

Saddlery Makes Profit

OPERATING profit of The Great West Saddlery Co. for the six months period ended December 31, 1933, after payment of bond interest, but before depreciation, amounted to $26,719. After setting aside the usual reserve for depreciation of buildings and equipment, net profit was $8,515, the first in years. In the six months to Dec. 31, 1930, the loss was $136,190. In the last half of 1931 the loss was 26,769, and in the second half of 1932 the loss was $22,219.

Sales volume showed an improvement over the same period in 1932, notwithstanding the small wheat crop harvested and the restricted buying power throughout the Prairie Provinces.

On the basis of these results the directors express the opinion that the company is "now in an excellent position to take fullest advantage of the improvement in general business conditions, which is to be hoped will continue to be maintained."

CAN. LOCOMOTIVE KEEPS LOSS LOW NO RAIL ORDERS

Concentrates on Business Offered by Mines and Smelters

Canadian Locomotive Co. had a net operating loss of $69,291 in 1933 which compares with loss of $27,291 in 1932. No orders for locomotives have been placed in Canada since 1930 and business of the company has been confined to sales of equipment and machinery for mines and smelters. This constituted 90 per cent of business done in 1933. The company has established connections in other lines. It is stated that any resumption of purchasing equipment by the railroads will be quickly reflected in the earnings of the company.

INCOME AND SURPLUS ACCOUNT Years Ended Dec. 31

	1933 $	1932 $
Net loss	69,291	27,291
Reorgan. exp.	2,474	......
	71,765	27,291
Less: Invest. int.	11,176	3,609
Total net loss	60,589	23,682
Corp. tax	......	701
Loss for year	60,589	24,383
Add: Prev. deficit	23,696	......
Less: Profit from sale of invest.	4,205	686
Deficit forward	80,080	23,697

While working capital is down to $320,728 from $376,290 there remains a high ratio between current assets and current liabilities. Current liabilities of $23,068 consist entirely of trade accounts payable, wages and miscellaneous balances while cash is shown at $6,848, Dominion and province of Ontario bonds amount to $211,705, accounts receivable to $43,081 and inventories to $82,162. Working capital position is as follows:

WORKING CAPITAL

	1933 $	1932 $
Current assets	343,795	396,974
Current liabilities	23,067	20,684
Working capital	320,728	376,290
Ratio	14.90—1	19.19—1

Land, buildings and equipment remains at $1,611,333. There is outstanding $1,044,800 of 6 per cent first mortgage income bonds which bear interest from January 1, 1934, on a cumulative basis. There are 39,896 shares of no par common stock issued early in 1933 to holders of the bonds, preferred and common stocks of the company prior to the reorganization of capital effected at the end of 1932.

Railway Earnings

Canadian Pacific Railway

January:	1934 $	1933 $	Decrease %
Gross earn.	8,970,335	7,675,661	†16.87
Work. exp.	8,081,346	7,352,288	†9.92
Net earn.	888,989	323,373	†174.91

†Increase.

Expect Surplus In 1934-35 Year For Manitoba

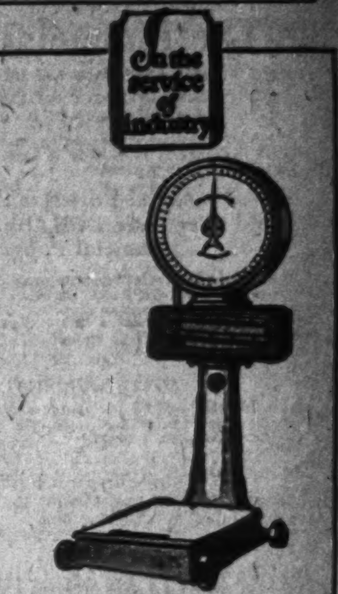
Manitoba will budget for a surplus of $28,013 in the fiscal year ended April 30, 1935, Hon. E. A. McPherson, provincial treasurer has announced. Ordinary revenues for the 1934-35 year are estimated at $13,593,986 against expenditures of $13,565,973.

Manitoba Budget Experience (Years Ending April 30)

	Revenues $	Expenditures $	Deficit $
1935*	13,593,986	13,565,973	†28,013
1934*	14,041,168	14,537,023	495,855
1933	12,366,918	14,311,482	1,944,564
1932	12,174,206	14,631,341	2,457,135
1931	14,086,243	14,705,530	619,287
1930	13,992,504	13,802,933	†189,571

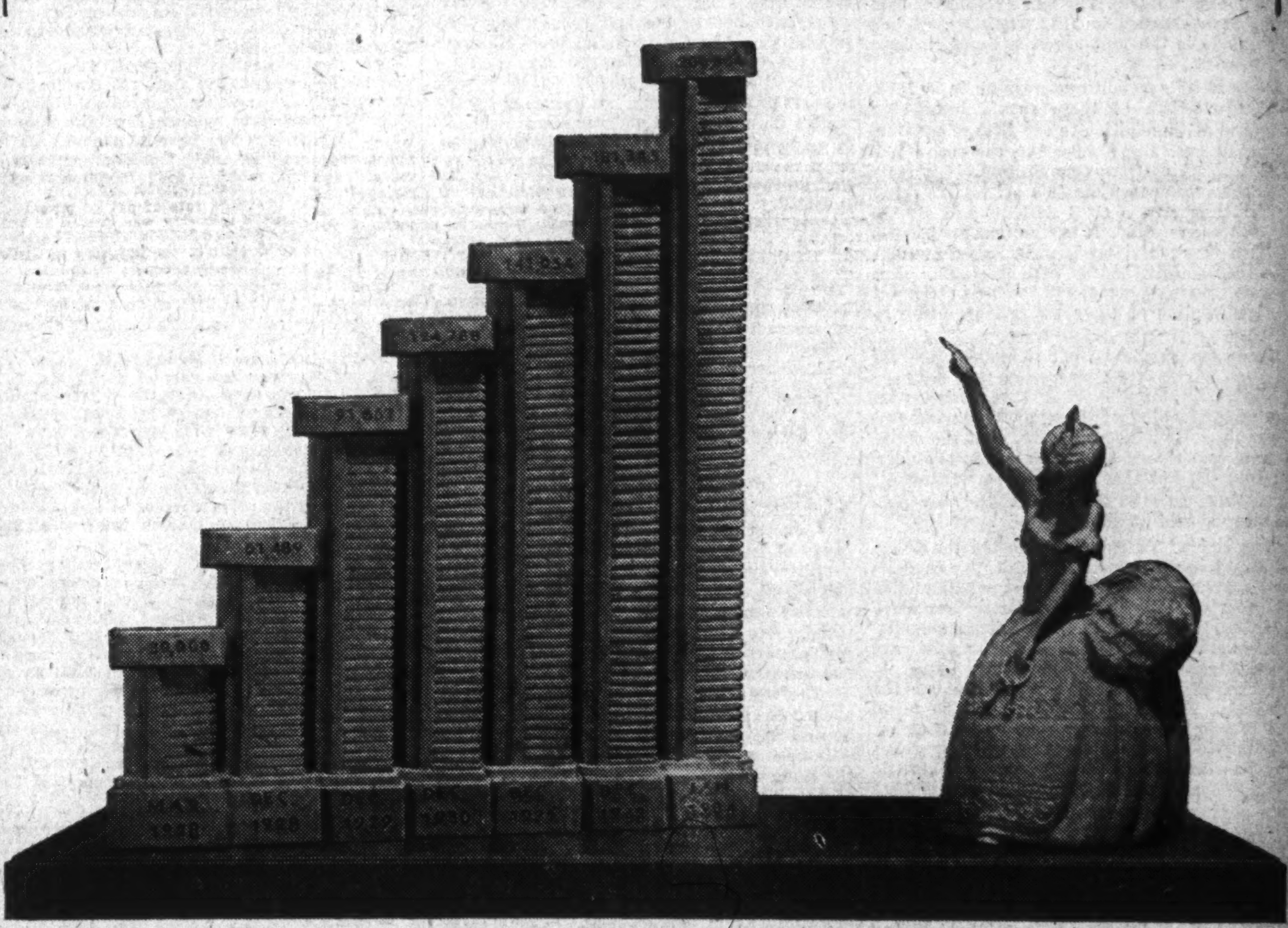
*Estimated. †Surplus

No new taxation and no new expenditure are anticipated in the 1935 year. Mr. McPherson announced that the province would not arbitrarily "attempt to interfere with the contract" written into Manitoba bonds.



FAIRBANKS DIAL SCALES
You can depend on these fast accurate scales to speed up weighing and to reduce the possibility of error.
They have no springs and their absolute accuracy and extreme sensitiveness will endure for years. Their big clear dial registers as fast as they can be loaded and unloaded. Made in many styles to meet the varying demands of industry. Write for full descriptions.
The CANADIAN Fairbanks-Morse COMPANY Limited
Halifax, Saint John, Quebec, Montreal, Ottawa, Toronto, Hamilton, Windsor, Fort William, Winnipeg, Regina, Calgary, Edmonton, Vancouver, Victoria.

G. W. BOWCOCK R. F. MORGAN
ANNOUNCING
THE FORMATION OF
BOWCOCK, MORGAN & CO.
MEMBERS OF
THE TORONTO STOCK EXCHANGE
TELEPHONE AD. 0323* SUITE 403 337 BAY STREET TORONTO, CANADA



Modelled by Fred Winkler.

Chatelaine presents its Annual Report

Chatelaine has just completed another "biggest" year. Each year since its beginning in March 1928, it has shown substantial increases over the preceding year in both net paid circulation and advertising revenue.

Specifically—in 1933, circulation increased 15 per cent and advertising revenue 12 per cent over the previous year. This stepping-up year by year is obvious proof of Chatelaine's popularity with readers and advertisers.

Chatelaine's progress is due to fundamentally sound principles of publishing. Its editorial formula is based on thorough investigation as to what Canadian women want in a woman's magazine.

Its title is descriptive, indicating in a single word the whole art of home-making; distinctive, because it is not confused with any other magazine circulating in Canada.

It has the benefit of the experience and resources of the largest and most successful publishing house of its kind in the British Empire.

These factors assured the success of Chatelaine from the outset and now guarantee its continued progress.

481 University Avenue, Toronto, Ont.
Branches: Montreal, P. Q.
New York, Chicago,
London, Eng.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Sold	Sold to	Rate	Due	Amount	Price	Cost
Municipal—							
Rockliffe, Ont.	Feb.	J. Graham & Co., Ottawa	5½%	15-yr. ser.	$ 8,500	100.58	5.41%
Stoke Township	Feb.	C. H. Burgess & Co.	5½%	1934-53	$20,000	98	4.76%
Dominion—							
Treasury Bills	Mar. 6			3 mos.	$ 2,450,000	....	2.85%
				8 mos.	$12,550,000	.....	3.12%

The Financial Post

Member Audit Bureau of Circulations

Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of Any Canadian Financial Paper.

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

ADVERTISING RATES

Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by

THE MACLEAN PUBLISHING CO.
LIMITED
481 University Ave., Toronto 2

Chairman of the Board—JOHN BAYNE MACLEAN
President—HORACE T. HUNTER
Vice-President and Gen. Manager—H. VICTOR TYRRELL

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

GREAT BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W.1, E. J. Dodd, Director. Telegraphic Address, Atabek, Lesquare, London.

THE FINANCIAL POST BUSINESS YEAR BOOK. Yearly, $2.

THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.

THE FINANCIAL POST SURVEY OF MINES. Yearly $2.

THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.

THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.

DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, MARCH 10, 1934

RELIEF CHARGES SHOULD NOT BE ENTIRELY CAPITALIZED

IN ONTARIO the provincial government is having a dispute with the Liberal opposition as to the veracity of the government's claim to a surplus for the year ended October 31, 1933. As to the political implications of this dispute The Financial Post has no views; it isn't a political paper. But as a newspaper serving business men and investors The Post has a view. And that view simply is that the kind of surplus Ontario has shown is a dangerous illusion.

Ontario's surplus has been achieved by the simple process of charging to capital account every single cent of relief expenditures, excepting the ordinary costs of the staff necessary to administer relief. If the province were to charge to current expenditures even the 20 per cent of relief expenditures that it started to charge the previous year it would have shown a deficit of $2,500,000.

In 1932 the province had a sounder policy. It started to write off its direct relief costs, one-fifth annually for five years. The charge was $784,937 in 1932 among ordinary expenditures. The same amount should have been charged in 1933. Omission of this sum alone in the 1933 accounts brought about the surplus.

New relief expenditures were made in 1933. Again one-fifth of these should have been charged off in addition to one-fifth of previous expenditures. But $10,905,286, the entire 1933 direct relief cost, was capitalized. If a start had been made to write this off in five equal annual amounts, a total deficit of $2,489,569 would have resulted. It is true that $10,000,000 of five year serial bonds were issued in 1933, to be redeemed $2,000,000 each succeeding year. But no provision is made in the 1934 estimates for redemption of these bonds from ordinary revenues.

Expenses should be cut to make room for a large share of relief costs in the ordinary budget, and taxation should be levied with the understanding of the need for paying this large item. It is not suggested that the entire annual cost should be written off in one year, as in 1931, but that it might be written off over three or even five years. And any plan adopted should be adhered to.

The city of Toronto has adopted the policy of the five-year write-off with the benediction of Sir Thomas White, former Dominion Minister of Finance, and Thomas Bradshaw and Geo. H. Ross, former city finance commissioners. Taxes are being levied to take care of this expense. And debentures issued to fund relief are being redeemed out of the taxation. Even this plan may not be ideal, but it is infinitely better than no plan at all. The province had a plan for amortizing relief and has dropped it, at least for one year. It should be recommenced immediately.

SENSIBLE POLICY NEEDED ON SOVIET TRADE

ON PAGE nine we publish a letter in which Canada is urged to resume normal trade relations with Russia. The letter is signed by Louis Kon, a Russian who has been in Canada many years. Mr. Kon, who was at one time publicity manager for Sir Herbert Holt's Montreal Power interests, was later associated with the Soviet Union Trade Delegation in Montreal, then made a visit to Russia on behalf of certain large Canadian corporations, and is now engaged in private business in Montreal.

His letter may then be regarded as coming from a friend of the Soviet Union who has at the same time had important associations with Canadian business.

Mr. Kon's letter is a simple appeal for the Canadian people to realize the vast opportunities that exist for sales of Canadian merchandise to Russia.

Prime Minister Bennett has repeatedly stated that there is no barrier to the importation of goods from Russia other than the embargo that was put on certain natural products; timber, coal, asbestos, furs and pulpwood. These embargoes, he has contended, were necessary to protect Canadian standards of living.

The question of Russian trade has been approached in clear and unprejudiced fashion by very few Canadians. Discussion of the subject has been confused by proposals for a sale of Canadian merchandise to the Soviet Union by means of governmentally guaranteed credits. It is not desirable that the Canadian government should back any export credits, whether for sales to Russia or any other country. Mr. Bennett was thoroughly justified in refusing to support this proposal.

But while such positive assistance to Soviet trade is uncalled for, the present definite obstacles to Soviet trade might properly be reviewed by the government to see if they are in the best interests of the largest number of Canadians.

One difficulty in dealing with Soviet trade problems is that there is only one employer in Russia, and there are no competitive wage standards. How is one to judge the fairness of the Russian price on any product?

A fair study might reveal that our present policy is unfair to Canadian producers. But to review our present policy does not necessarily mean matching state financed trade in Russia with state financed trade in Canada.

MUNICIPAL FINANCE IN ONTARIO

MUNICIPAL finance in Ontario is in a crisis. Towns and cities that have always been considered substantial have defaulted debt of nearly $100,000,000. This staggering figure indicates the dire need for more rigid control of municipal finances by the province. Word that Premier Geo. S. Henry is expected to give sympathetic consideration to proposals to regulate municipal finances more closely is encouraging. Action cannot be taken too soon in view of the circumstances.

A striking contrast to Ontario's large default ratio is supplied by Saskatchewan. Hardest hit of all the provinces, Saskatchewan's municipalities have defaulted only about one-third as much debt in proportion as those of Ontario. The reason is that Saskatchewan has been watching its municipal affairs closely for nearly 20 years. And the municipalities themselves have had to weather bad storms in the past.

Another contrast to Ontario is seen in Quebec. The ancient French province has had in operation for nearly two years a system of rigid municipal control that is serving to give confidence to investors and assistance to municipalities in adjusting their affairs.

Proposed reforms in Ontario would require all municipalities to file reports with the Ontario Municipal Board for scrutiny within 30 days of the end of the year; and would extend the powers of the board to allow control of finances before a municipal default becomes unavoidable. Clearly this would be in the best interests of municipalities for the protection of their credit. It would tend to improve the credit of all Ontario municipalities because the defaults of the weaker inevitably reflect upon the stronger centres. And it would furnish a valuable protection to thousands of investors and tens of thousands of small creditors.

The comparatively mild powers of the Ontario Municipal Board as at present constituted have been criticized by some municipalities as too severe. They have been called unconstitutional. At the same time, authorities on municipal finance feel that they have been inadequate to handle the situation. And they do not go as far as the British municipal regulations. In the interests of the province and its municipalities as a whole, the complaints should be overlooked. They come chiefly from those who would be subjected to control through their own shortcomings. The sooner Ontario acts to stiffen the provisions of the Municipal Act and to extend the powers of the Municipal Board the better for the province, the municipalities, their taxpayers and municipal bondholders.

NORMALCY IN RAILWAYS

THE Minister of Railways and Canals believes that shortly, perhaps in one or two years, conditions will be back practically to normal.

But what is Dr. Manion's definition of normalcy? To most business men the normal year is the one in which they made the most money. Applying this somewhat hopeful definition to the railway situation, the best year the railways have had in the last decade was 1928. In that year the Canadian National Railways cost the taxpayers $33,000,000. The smallest deficit yet recorded was $29,000,000. These were in years of peak business, not in average years. Unless the new Board of Trustees are capable of going to a very long distance in economies, average conditions are not enough to lift the railway burden entirely off the taxpayers' shoulders.

Canadian Pacific Railway directors believe that the necessary economies can not possibly be had without unification of the two railway systems. Whatever Dr. Manion's views, he has followed his leader in committing the present government firmly against unification.

Co-operative competition is to get a good trial. Under Judge Fullerton and his two associates it is assured of a fair trial. But the test of it will be not what it can do in a peak year of business but in a year of average conditions.

INTERPRETER NEEDED

WE NEED a campaign of education to reduce the economic illiteracy of the people," says Col. Leonard P. Ayres, of Cleveland.

Literacy implies ability to read and write, but it is possible in this world to read and write in many languages. Those who do not understand more than one language must employ interpreters if they are to converse with some one using another tongue.

The different economic tongues that are spoken are so numerous as to suggest a Babel-like confusion. Our economic literates do not even understand each other. Does Mr. Rist of the Bank of France understand Mr. McKenna of the Midland Bank? Does Prof. Sprague think that Prof. Warren is quite sane? Getting closer to home, do any two professors at any one Canadian university speak quite the same economic language?

Perhaps, what we need more than literacy in a confusion of tongues is an economic esperanto to help the average business man to understand all the shouting.

TAX-FREE BONDS

THERE is a movement in the United States to abolish tax-free bonds. Every public authority across the line issues bonds, the interest of which is free from income tax. When the rates of interest paid on United States government and municipal bonds are compared with rates paid in Canada, the value of the tax-free feature must be weighed. Actually, a wealthy man gets a higher net interest return on a government bond in the United States than in Canada.

In pre-income tax days, the question of taxing interest from public bonds did not arise. Canada's huge war-time bond issues and the imposition of the income tax made it necessary to decide on a policy. So pressing was the necessity of selling large quantities of bonds during the war and immediately afterwards, we took the simple, if ultimately costly road, of exempting government bond income from taxation, but without extending the benefit to bonds of other public bodies.

Just as the needs of the moment delayed a change in policy in Canada, so they are doing today in the United States. It is hardly likely that U. S. government bond interest will be taxed while a borrowing programme involving billions of new securities is under way. But when this need has been satisfied, then the United States may come to taxing its bonds.

USEFUL EDUCATION

SOME hundreds of students in Canadian universities, graduates and undergraduates, spend a substantial part of their time each year preparing and writing theses on various phases of Canada's economy. Most of the material never sees the light of day after it is examined by the instructor.

By this arduous labor the student is intended to learn something more or less detailed about his subject. He is also supposed to learn how to attack problems and investigations in general. Perhaps the instructor is able to use certain of the compilations for his own purposes. But practical use of the work appears to be disregarded. As far as the workaday world is concerned, the studies might as well never have been made.

In arranging lists of subjects for theses, academicians often know what is of interest and importance to the community, and suggest topics on the basis of this knowledge. Nevertheless, The Financial Post believes that the work of these hundreds of students could be made of much more practical value. If corporations, banks, financial institutions, statistical bureaux, and other sources were consulted as to subjects on which information was needed, the universities might do a really useful work by putting students on such suggested topics.

As the investigations are done at present, many students from year to year may duplicate the work of those who have preceded them in the search for knowledge. Many contemporary students may be doing the same job.

If topics suggested by those who have a practical knowledge of business, finance and economics were assigned to students, something new might be contributed. Orderly data on topics that have had too little attention might be compiled. Although the conclusions drawn in the theses might be of small value, business and financial institutions would be able to make practical use of the factual information compiled. One of the advantages of this policy would be that the work would be done at no additional cost to commerce or to the universities. And the student, besides educating himself, would contribute something of value to others of the community.

Post-Scripts

THE editor of Canadian Countryman says that when he was in the Old Country many years ago he heard of a wealthy shipbuilder who was as sore as a boil because, he declared, he had contributed enough money to the campaign funds to be made a baron and he was only given a knighthood.

This reminds us of our favorite story about a wealthy Scot who was offered a barony by a certain British prime minister famous for his sale of titles. The Scot was nobody's fool; he knew that the Prime Minister was looking for campaign funds. He bluntly asked "How much?" Given a suggestion, he then wanted to know what assurance there would be that he would be made a lord, after the money had been paid over. He was told that he would have to rely upon the bona fides of the government and it was explained to him that even if the recommendation were made to His Majesty, the King might conceivably not grant the honor.

But the Scot got his title without taking any risk, and the party got its funds. For the canny title-seeker signed his cheque "MacSmith of Dunair," and until he was named Baron MacSmith of Dunair the party couldn't cash the cheque.

The name we have used is entirely fictitious.

ONE of the amazing things about Washington under the present regime is that employees of the government are apparently permitted to make speeches on matters of policy without reference to the Administration. This is particularly true of the Agricultural Department from which has issued a weird stream of economic philosophy.

The Agricultural Adjustment Administration is the organization that set out to raise farm prices. Then when housewives began to object it started to publish the "Consumers' Guide" which naively fixed its purpose as to aid consumers "in understanding changes in prices" and "in making wise economical purchases."

In the current issue, there is an article by Dr. Mordecai Ezekiel, economic adviser to the secretary of agriculture. Among the positive statements he makes are these:

"High tariffs mean that many articles will be produced in this country at high prices which could be imported from other countries at much lower prices."

"Monopolies develop behind tariff walls."

"Consumers pay the cost of tariffs."

"High tariffs mean that the people of the country are less well off than they would be if co-operating more with other countries."

"Unless consumers are willing to defend their rights, it is quite probable that our nationalistic economic policy will continue to be dominated by the private interests of individual industries, instead of by the welfare of the people as a whole."

These statements would be perfectly proper in this country, coming from an elected representative of the people or from a person not working for the government. But can any Canadian imagine an employee of the Department of Agriculture in this country publishing such statements, using such phrases as "vested interests" and "exploitative measures" in a government publication and getting away with it? Of course Dr. Ezekiel is merely reflecting the view of his own chief, the Secretary of Agriculture. But there is no assurance that he is speaking the language of the President.

Sayings of the Week

"Silence is an almost impregnable fortress."—*Bruce Barton.*

* * *

"Let the Nazis come on. We are not afraid."—*Dr. Dollfuss.*

* * *

"The need of the world today is 'A Hitler of the spirit'."—*General Smuts.*

* * *

"The world is not yet ready for the gold standard."—*Professor J. H. Jones.*

* * *

"Politics are for men only—absolutely and unconditionally."—*Dr. Goebbels.*

* * *

"If you are happy yourself, you make everybody about you happy."—*Queen Marie.*

* * *

"The hour has come for plain speaking on the part of the preacher."—*Billy Sunday.*

* * *

"Mankind has become bound together by the slavery of imitation."—*Professor Elliot Smith.*

* * *

"I do not think we have much to learn from the other side of the Atlantic."—*H. Williams, British M.P.*

* * *

"We are living in a dangerous world."—*Duff Cooper, financial secretary of the British War Office.*

* * *

"Europe is in a mess, but the danger of war is not as great as it looks."—*R. H. Bruce Lockhart, the "British Agent."*

* * *

"Genius may sometimes be but the sport of some minute gland functioning in an abnormal way."—*Sir Herbert Barker.*

* * *

"Americans, many years ago, abolished negro slavery. Now they are a nation of white slaves."—*George Bernard Shaw.*

* * *

"The nations have continued since the Armistice and still continue in a state of war though not in armed conflict."—*Sir Joseph Flavelle.*

* * *

"I hate industrialism, as Plato did, and think that the simple life of an agricultural community is healthier for body and soul."—*Dean Inge.*

* * *

"One of the oldest of sayings is 'second thoughts are best' but nowadays a harassed statesman has very little time for a second thought."—*Lord Sankey.*

* * *

"Discussions of economics ordinarily are about as coherent as the voices at the tower of Babel."—*James D. Mooney, president of the General Motors Export Corp.*

* * *

"Free your mind of preconceived ideas about certain ages and don't allow the end of each decade to depress you. Some people have longer wicks to burn than others."—*Lady Cynthia Asquith.*

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By J. L. BURTON LEWIS

World Trade and "Zones of Influence"

THE movement toward recovery in international trade which began in 1933 "became uncertain and irregular by the end of 1933 and in the beginning of 1934. It appears likely that this slowing up is due to the international political situation, which is far from being stable."

Aside from being a "miracle of understatement," this latest declaration by the economic intelligence service of the League of Nations has arrived at an opportune time to stress the international economic significance of the turmoil that has recently torn a path across middle-Europe. Even a world grown blasé as it has watched many democracies crumble, seen many dictatorships arise, can scarcely be complacent about the issues which pivot on the fate of Austria when it realizes that they are also among the chief issues jeopardizing the recent faltering revival in foreign trade.

Just now the dispatches coming from Vienna deal chiefly with the division of such spoils as can be found amid ruin; with contests over leadership which have arisen as the country is being transformed into a totalitarian state, and with the complete way in which the last, faint stirrings of Democracy are being forced to subside.

None of these matters, though, can be viewed as local issues, involving only Austria. All figure in a much larger drama; the struggle for supremacy in Central Europe, if not all of Europe.

* * *

THE blackest lines on any map are those which mark territorial boundaries, while the most important ones, in the case of Europe, are those which are added to the design to indicate zones of influence.

But the map of Austria is badly splattered; covered with blots. A few horizontal lines can still be seen, showing that the country once seemed likely to pass under the sway of France. Then there are vertical lines to indicate how close Italy has come to adding Austria as a zone, and a criss-cross pattern tells of the increased influence achieved by Germany.

It was to erase all these lines and blots about them, and to make way for one dominant design, that hundreds died in what was called "Austria's Civil War." The same purpose underlies the adjustments now being made in Vienna.

Economically, it is almost a necessity for Austria to move into and be accorded a place in either the Italian, German or French sphere of influence, even though, no matter which way she may go, it seems certain that her course will exert a profound if not violent influence upon the future of history. Denied her old political unity with Hungary, Austria has been thoroughly unsuccessful in finding a place for herself as an economic entity.

* * *

SPEAKING in very broad terms, it is justifiable to say that the recent armed conflict in Austria, brought not only a victory of sorts by the Heimwehr over the Socialists but was also a triumph for Italy over France in a contest for Central European supremacy.

The primary interest of France has been to defeat the "Anschluss," since she considers the formation of an enlarged Germanic state would be a direct threat to her security. She has also, however, hoped to bring Austria and Hungary into a loose accord with her allies of the Little Entente, Czechoslovakia and Jugoslavakia, and thereby revive, in an economic sense, the old Danubian monarchy with the peace treaties cut in many pieces.

The French allies in Austria were among the Social Democrats, in the group which seemingly has been eliminated as an active political force through the recent uprising. Most of the arms used by the Socialists appear to have been supplied by the Czechs, who supported the French scheme not only because of membership in the entente but also because of the realization that, if Germany and Austria combined, their country would be virtually surrounded by the new state.

The fall of democracy in Austria also represented, at least for the time, the overthrow of French hopes if not designs.

* * *

IT IS one of the strangest developments of post-war diplomacy that Italy, after choosing to base her foreign policy largely upon friendship with her former enemy, Germany, rather than with her former ally, France, should find herself so soon in opposition to them both.

Italy was first and chief among the powers to favor peace treaty revision, as sought by Germany. She opposed the famous Tardieu scheme of 1932 for Danubian unity, to check the spread of French power in her own section of Europe. Yet today she is the chief obstacle keeping Germany from achieving what has long been her major dream.

As in the case of France, the Italian aim is not only to check the spread of Nazi influence but also to extend the influence of Italy. Premier Mussolini would like to unite Austria and Hungary in a form of economic alliance with Italy, as a means of strengthening diplomatic resistance to the Little Entente, dominated by France. He is also opposed to having Germany reach down to the Brenner Pass, instead of Austria as a buffer state, and does not wish to see any great power brought so close—within 100 miles—to the Adriatic.

Recent trends in Austria have swung in the direction of Italian hopes, at least on the surface, for Italy's alliance has been with the Dollfuss Government and the Heimwehr organization headed by Prince von Starhemberg, which is in control for the time.

* * *

MEANWHILE, the nation which has done the most to bring the Austrian issue to a head, the power that has talked more of war than any other, has chosen to follow a "hands off" policy since the actual struggle has begun.

Germany is content that, if left to "ripen," the Austrian "plum will drop" in her direction. The battles between other factions in Austria are depended upon to increase Nazi strength. Berlin is confident that racial and cultural ties will in the end bind Austria to Germany, regardless of the diplomatic skill of either Italy or France.

Because of international antagonism to full "Anschluss," Germany would be satisfied to see Austria pass under independent Nazi sway, and to have the two countries linked through party councils rather than direct governmental ties. Hitler presumably has this probability in mind, and is hopeful of bringing about an Austrian election, as he now attempts to maintain relations with Vienna that will seem friendly.

Present probabilities suggest that the German view of the Austrian situation is the best bet. Only if Dollfuss or a successor with similar views remains in power is there a chance that Italian purposes will be realized, and this seems a very faint hope.

* * *

THE contest for "zones of influence" has become so intense, however, that an infinite number of changes in the over-markings on the map of Europe suggest themselves as possibilities. Hungary, long counted in the Italian sphere, has lately shown an inclination to flirt with Germany. This tendency would be increased and spread into Roumania if the Nazis gained control in Austria. Such a development would leave Italy with only one open and active ally, Bulgaria, a country which has lately been lured by the prospects of a Balkan pact.

Czechoslovakia and Jugoslavakia remain in the French sphere of influence, but both might be expected to turn their eyes in other directions if brought more intimately in contact with either Germany or Italy, through changes in Austria. Hungary, too, could be won back to the plan for economic alliance with Italy and Austria. Not long ago Premier Goemboes declared to Chancellor Dollfuss of Austria: "God has created the geographical position of our two countries and nobody can keep them separate forever." This trend is likely to be supported by the meeting that has been arranged at Rome, for March 14, between Mussolini, Goemboes and Dollfuss.

It is changing uncertainties such as these that make "the international political situation far from stable." And issues of this character, expressed through uneconomic tariff barriers and currency disorganization, as well as open rivalries, according to the League, are the chief threats to revival of world trade.

As Others See Us

Now In Default

Stratford Beacon-Herald. — The Financial Post says that the bonded indebtedness of Ontario municipalities at the end of 1932 amounted to $504,755,000. Today there is in default one-fifth of this amount.

That, we think, is rather an impressive list especially in a province where a municipal bond has always been regarded as high-class security. Two districts, around Windsor and Toronto, provide the majority of places listed as defaulters. Piling up too much debt for the future by way of debenture issues is at the bottom of the trouble. A big debt and a low paying power make a poor combination.

Election Campaign Funds

The Canadian Countryman, Toronto.—The Financial Post of Toronto in a recent issue pointed out that the two old political parties would do well to adopt the policy of the C. C. F. in regard to the collection of campaign funds. Running a political campaign costs money and lots of it, as most people are aware. The Liberal and Conservative parties have so far relied in the main, The Financial Post says, "upon contributions of large interests who hope to benefit from the occupancy of the seats of the mighty by one or other party," and instead of continuing this policy it is suggested that the older parties do as the C. C. F. is doing, that is, secure the funds they require in the form of one dollar bills and similar amounts from those who intend to vote for them when election day comes around.

The real solution of the campaign funds mess is to have elections paid for out of the public treasury, and in spite of certain difficulties we believe this system would work satisfactorily if the people of this country were behind it and determined to free themselves of the unsavory things that are at present connected with our political machinery.

Defaults In Ontario

Toronto Star.—The Financial Post suggests that "municipal defaults in Ontario are now approaching the $100,000,000 mark, or nearly 20 per cent of the entire funded debt of the municipalities of the province."

Some of these municipalities (perhaps most of them) are in financial trouble today because they went ahead with the installation of improvements on an urban and indeed metropolitan scale without a metropolitan business district to tax for them. Their metropolitan business district is in Toronto; its taxes go to Toronto alone. For that reason Toronto itself has been able to keep out of financial difficulties. Its financial standing is such that its bonds are eagerly sought by investors.

But it does not follow that Toronto can go "full steam ahead" or that the city can afford to levy a tax rate higher than that which was imposed in 1933. There were, after all, tax arrears of nearly $12,000,000 outstanding at the end of the year, and it is evident that taxes are a very heavy burden even at the present mill rate. In the centre of a defaulting area, but itself in irreproachable financial condition, Toronto must take every precaution in order that this condition may be maintained. There must be a reasonable tax rate, and the rate should be made to include at least a portion of the relief payments which the city will make in the current year.

Not All to Blame

Niagara Falls Review.—According to The Financial Post, the bonded indebtedness of the municipalities of Ontario amounts to $504,700,000 and a fifth of it is in default.

It is not, however, fair to assume, as is being done in some quarters, that extravagance has been the cause of all the defaults. In Windsor and Niagara Falls, for example, a large contributing factor has been elimination of many Canadian residents who had worked for many years in the United States. Then in some places growth was more rapid and it became necessary to provide facilities for that growth. Happily, indications show improvement in collection of taxes and in business generally, which may soon remove the need for default. It should be noted that Niagara Falls, while technically in default, is not in that category so far as interest payment is concerned. Interest has been paid, principal payments having been passed only since December.

Unheeding the Lesson

Barrie Examiner. — According to The Financial Post, municipal defaults in Ontario are now approaching the $100,000,000 mark, or nearly 20 per cent of the entire funded debt of the municipalities of the province. Reckless spending resulted in excessive taxation that was beyond the capacity of the municipalities. Still some people, unheeding the lesson of this experience, are clamoring for more expenditures on provincial highways.

New Books

Socialism in Canada

Various pamphlets setting forth the particular type of Socialism that the League for Social Reconstruction urges Canada to adopt are being published. The league has been organized among the more academic and theoretical groups of Canadian radicals to educate public opinion in favor of the establishment of a planned and socialized economy in Canada. The directorate is heavily staffed with university professors of Toronto and Montreal.

Four pamphlets have already been issued. They are "Dividends and the Depression" by Eugene Forsey; "Combines and the Consumer" by the League's Research Committee; "The Church and the Economic Order" by Ernest Thomas; and "Social Reconstruction and the British North America Act" by F. R. Scott. They are published by Thomas Nelson & Sons, Toronto, at 25 cents each.

In "Combines and the Consumer" an attempt is made to show that the competitive system results in wasteful duplication of services offered to the consumer and that the consumer pays ultimately for this waste. The bread baking, the milk, the coal and the gasoline industries are selected for citation and the conclusion reached is that the only hope for the consumer is for the economic forces that give rise to combines and wasteful distribution to be controlled and directed in the public interest. Actually, the league wants public ownership of distribution of these four basic commodities.

The books are not overly convincing when considered side by side with the various government reports which are frequently referred to in them. Isolated quotations from official documents are made to prove the points which the writers of the pamphlets had firmly fixed in their minds before they began their alleged research. Nevertheless, the pamphlets are valuable as indicating the trend of thought among the impatient adherents of such advanced organizations as the Co-operative Commonwealth Federation, etc.

"Stop Me If You Have Heard This One"

Passenger—Is there no hope of being saved?

Captain—None whatever.

Passenger—How far away is the nearest land?

Captain—Two miles.

Passenger—In what direction?

Captain—Straight down.

March Bond Letter

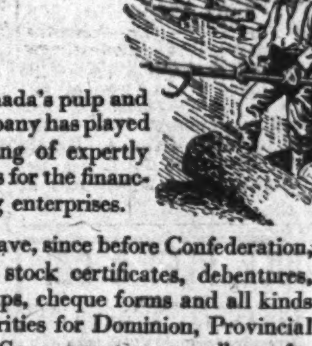
Contains an opinion by an eminent economist upon the long-term trend of bond prices. Specific issues are recommended.

Write us or telephone.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161

Montreal Harbour 2276 | Ottawa Queen 878 | London Metcalf 1465 | Hamilton Regent 0010

Up the Years with THE PAPER INDUSTRY



From the earliest days of Canada's pulp and paper development, this Company has played a major part in the supplying of expertly designed monetary documents for the financing of both new and growing enterprises.

In addition, we have, since before Confederation, prepared bonds, stock certificates, debentures, bank notes, stamps, cheque forms and all kinds of engraved securities for Dominion, Provincial and Municipal Governments, as well as for banks, industries and commercial houses, both large and small.

British American Bank Note Company, Limited
1866 — 1934

HOWARD W. PILLOW, *Pres.*; CHAS. G. COWAN, *Vice-Pres. and Man. Dir.*; G. HAROLD BURLAND, *Sec.-Treas.*

1110 Bank of Hamilton Bldg. TORONTO — HEAD OFFICE OTTAWA — 511 Place d'Armes MONTREAL

"Making Your Will"

The series of eleven articles on Wills and Estates in The Financial Post have now been reprinted in book form, bearing the title, "Making Your Will."

32 Pages, 6" x 9" — *Price 50 Cents*

This book tells in simple, non-technical language the points to be considered in making a will and includes useful discussions on Succession Duties and Trusts.

Everyone who possesses property — no matter what kind — life insurance, stocks, bonds, real estate — will be vitally interested in this ready reference on this important subject.

Send in Your Order Now. Use the Coupon Below.

THE FINANCIAL POST,
481 University Avenue.
Toronto 2, Can. 1934

Please send me postpaid .... copies of your book, "MAKING YOUR WILL," at 50 cents a copy. I enclose $............ in payment.

Name ....

Address 425

The Week in Business

Prices in Steady Advance

CONSIDERABLE evidence of higher retail prices is already apparent, particularly in food and clothing lines, but these are apparently only the beginning of a general upward swing, The Financial Post learns from large wholesale buyers. Many price advances have not yet been passed on to the final purchaser, they state, largely because goods being sold at the present time were purchased or contracted for in the late summer or early winter of 1933 before prices jumped. Purchases made at the present time for spring and summer delivery are all at considerably higher levels than those of last year.

With price increases already taking place and further advances imminent, it is natural that considerable advance buying is taking place. For instance, in the clothing industry, mills are now booking orders for as far in the future as 1935, while buying for next autumn is two or three months in advance of normal. Whether or not this trend has resulted in production outstripping consumption it is impossible to state at the present time. The current issue of the Canadian Bank of Commerce monthly letter feels that the question will be answered in two months or so and that evidence at present to hand, though not conclusive, points to definite gearing of industry to consumer demand in the near future.

* * *

Await Senate Seaway Vote

WITH success in the United States Senate generally regarded as assurance that the scheme will be carried out, March 14 (the date set for the Senate vote on the St. Lawrence Seaway plan) assumes great importance in Canada. Latest reports from the United States indicate that Democrats feel confident that a majority in favor of the plan will be obtained. Bennett's large majority in the House of Commons almost certainly assures passage in Canada.

Spending of about $200,000,000 in Canada would prove a boon to the construction industry. Some idea of the immense amount of work which would be undertaken can be obtained from a recent estimate that construction work on the international rapids section alone would require the placing of 4,074,000 cubic yards of concrete and excavation of 5,000,000 cubic yards of solid rock and 90,000,000 cubic yards of earth and other materials; this work would be spread over seven years.

* * *

More Cash Auto Sales

CASH sales of automobiles would appear to be on the increase judging by a comparison of sales and financing figures of recent months. Although new car sales have been consistently higher than in the corresponding months of the previous year, value of new car financing has been lower than a year ago.

Thus, during the three months ended January, 1934, sales of new car motor vehicles, according to the Dominion Bureau of Statistics, were $4,541,782 as compared with $4,015,142 during the corresponding period of 1932-33, an increase of 13 per cent. Financing of new cars and trucks, however, according to the same source, was $1,130,996 as against $1,467,972, a decrease of 23 per cent.

* * *

Expect Action on U. S. Tariffs

ALTHOUGH President Roosevelt's powers to change tariff rates in the United States asked in a bill before the Senate have been definitely limited from the "free hand" authority first expected, power to change tariff items as much as 50 per cent in negotiating trade treaties has been proposed. It is thought that this limitation, along with one restricting the transfer of items on and off the free list, will greatly improve the prospect of Congressional approval.

If approval is given it is thought that Roosevelt will act without further delay. Negotiations for reciprocal agreements have been going on all through the present administration, it is stated in Washington, in some cases being advanced enough for rapid conclusion.

* * *

Thirty Below Hurts Peaches

CANADA'S peach crop and peach pack in 1934 may be only a small proportion of the usual total, if the fears of growers are realized. Thirty below zero weather for days on end is said to have killed off all prospect of a respectable crop although no authority has yet been able to show any precedent in a previous year. One grower told The Financial Post that peaches could stand two or three days of 15 below zero weather and come out without loss but that this winter 30 below had been experienced for almost one whole week. Government inspectors, on the other hand, state that damage is slight, according to Canadian Grocer, Toronto.

It does seem certain, however, that peaches and all other fruits will suffer some damage due to the extremely cold weather that has been experienced, although authorities do not care to hazard a guess as to the extent of this damage. Australian peach canners would be the ones to benefit should the Canadian pack be small, it is stated.

BOILERS
AIRCRAFT
MINING MACHINERY
STRUCTURAL STEEL
STEEL PLATE WORK
HYDRAULIC TURBINES
CONSTRUCTION EQUIPMENT
PULP AND PAPER MACHINERY

CANADIAN VICKERS LIMITED

Head Office: MONTREAL
Vancouver Edmonton Winnipeg Halleybury
New Glasgow, N.S.

Business Conditions in Canada

OVER 72,000 MEN GAIN EMPLOYMENT DURING JANUARY

Manufacturing Shows Greater-Than-Average Increase

PRAIRIES LOWER

Returns Show Activity in Capital Goods Industries Has Long Way to go to Reach 1926 Level

Canadian payrolls listed approximately 72,250 more names on February 1 than at the beginning of the previous month, The Financial Post estimates from the results of a study of employment returns and February 1 employment report of the Dominion Bureau of Statistics. This increase of approximately 3 per cent is the largest recorded on February 1 since employment figures were first compiled in 1921. Actual returns showed an increase of 25,945 workers in 8,463 firms.

As shown in another article on this page, elimination of construction returns, which contain a large number of men employed on relief, results in a decline after seasonal adjustment. However, gains over January 1 were made in manufacturing both on a crude and seasonally corrected basis.

Manufacturing Higher

The increase in manufacturing, which was largely seasonal in iron and steel, textile, leather and lumber industries. Among the non-manufacturing industries, logging, coal and metallic ore mining, wholesale trade, highway and railway construction also recorded heightened activity. Declines were indicated in other groups.

Improvement was indicated in all economic areas except the Prairie Provinces, that in Ontario being the most marked. Among the leading cities, the trend was downward in Toronto and Winnipeg, while in Montreal, Quebec City, Ottawa, Hamilton, Windsor and Vancouver the tendency was distinctly favorable.

Leading Cities

Reviews of returns from the leading cities and from the Maritimes, in which none of these cities are located, follow:

Martimes—Largest February gain on record. Iron and steel, pulp and paper, coal mining and railway construction chief factors.

Montreal—Footwear, textile and iron and steel industries made chief gains; transportation and road maintenance also higher. Largest February increase since 1923.

Quebec—Small increase recorded, chiefly in leather—using plants and transportation.

Toronto—Heavy seasonal losses in retail trade more than offset gains in manufacturing, construction and services. Metal, textile, vegetable food and lumber plants showed chief gains.

Ottawa—Snow-clearing operations were chief factor in gain. Retail trade quieter, manufacturing, construction and services improved.

Hamilton — Textile and iron and steel plants made good gains. The index at 80.7 was 10 points above Feb. 1, 1933.

Windsor—Automobile plants showed large gains from Jan. 1 and this affected other industries and retail trade.

Winnipeg—Lower employment reported, chiefly due to contraction in retail trade. Decline largely seasonal.

Vancouver — Lumber, food and metal manufacturing groups more active. Transportation and construction slacker.

Capital Goods Industries

Employment returns provide an interesting basis of comparison of activity in the consumer goods and capital goods groups of industries Indices on the basis of 1926 equals 100 show that while most of the consumer goods industries are close to the 100 mark—some being considerably higher—the capital goods industries have still a long way to go to reach that level. Representative industries in both groups are shown in the following table:

Employment in Industrial Groups

	Index Feb. 1 1934 No.	% Change from Feb. 1 1933 %
Consumer Goods Industries:		
Boots and shoes	92.9	+4.5
Rubber products	86.6	+20.0
Textile products	102.4	+14.8
Tobacco	116.5	−0.1
Animal food products	95.3	+8.2
Capital Goods Industries:		
Furniture	73.0	+13.9
Automobiles	87.3	+35.5
Machinery (other than autos)	69.5	+11.5
Agricultural implements	41.8	+38.0
Railway construction	67.6	+32.5
Building construction	34.7	+21.0

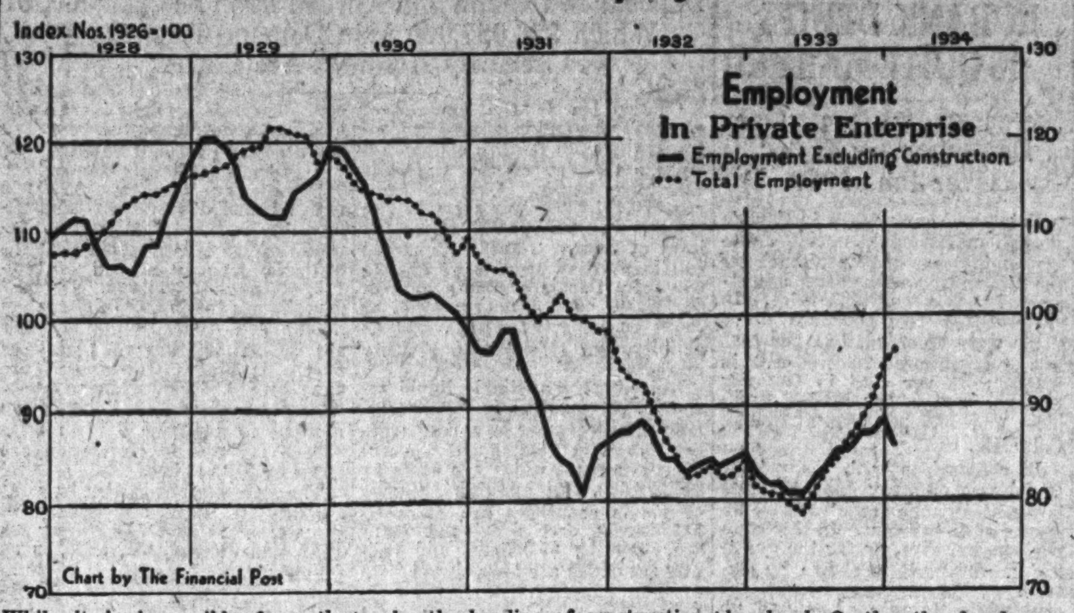
Another interesting point illustrated in the above table is that, on the average, greater percentage recovery has been made in the capital goods industries from the low points of February 1, 1933.

Fewer Sheep Account for Lower Wool Clip in 1933

Canada's wool clip in 1933 amounted to 19,206,000 pounds as compared with 20,508,000 pounds in the previous year, according to the estimate made by the Dominion Bureau of Statistics. Chief reductions took place in Alberta and Quebec, although Manitoba and Saskatchewan were the only provinces to show an increase.

In arriving at the total wool clip, it is assumed that the average fleece of a sheep weighs 7½ pounds and of a lamb 3½ pounds. The number of sheep and lambs multiplied by these averages gives the total estimated wool clip.

Relief Work Distorts Employment Returns



While it is impossible from the information at hand to make an exact elimination of the influence of public relief from the general index of employment, the chart shows the results of an attempt made in this direction. As relief employment is mainly segregated under the heading of construction, it is not difficult to eliminate the influence of the whole group from the general index.

It is true that construction by private initiative is also eliminated in this way but these operations in the last two years have been at a low level. On the other hand, some employment in manufacturing plants such as in connection with the production of sewer pipe, cement, asphalt, etc., are indirectly due to the expenditure of public funds actuated mainly by the desire to relieve distress.

Relief Work Distorts Ottawa Employment Index

No Guide to Activity in Private Enterprise Unless Relief Totals Eliminated — Deduction of Construction Achieves This

By SYDNEY B. SMITH

The question has been raised as to whether the official index of employment should be so limited as to reflect the trend of the number engaged in private industry only. Providing the relief payrolls which bulked large in 1930 and 1931 are included, the index is not an indicator of the trend of general production under private initiative.

If both elements are included, the trend of employment is indicated, but a considerable portion of that employment may consist of relief work paid out of public funds in lieu of a subsistance allowance. This element indicates something quite opposite from the usual meaning assigned to the index of employment. The upward movement of the index under these conditions does not necessarily reflect prosperous conditions, and may indicate a reactionary tendency depending upon the relative influence of the employment on relief projects.

Decline More Rapid

The index of employment not including construction reflects a much more rapid decline in 1930 and 1931, than the official index. The indexes were close together in the last half of 1932 and during the greater part of 1933. These movements are fairly well in line with the trend of events. The extensive public works programmes of 1930 and 1931 account for the disparity between the two indexes during those years.

Adoption of direct relief explains the proximity of the indexes in the latter half of 1932 and the first part of 1933. A low point was reached in both indexes in June, 1933, and the subsequent recovery was marked especially in the index of general employment.

Relief Work Heavy

During the last three months and especially on February 1 the general index moved up faster and a considerable disparity exists at present between the two indexes. The heavy fall of snow during the winter has played a large part in increasing the number at work for various public authorities. The index of employment exclusive of construction was 80.5 in June, advanced steadily to 88.9 at the beginning of the year and then dropped back to 86.0 on February 1. The unbroken advance of the general index after seasonal adjustment was from 78.7 on June 1 to 96.5 on February 1.

For the purpose of eliminating the influence of relief employment as far as possible from the general index, a computation was made by months from the beginning of 1928 to the present. The method was to weigh the construction index by multiplying the seasonally adjusted index for each month by the percentage that the numbers employed in construction bore to the whole number of employees reported. The product was deducted from the general index weighted by multiplying by 100. The residue was then expressed as a percentage of the average for the year 1926. The results are shown in the accompanying chart.

Large Construction Volume Contemplated for Spring

While severe winter weather in the East resulted in a slight decline in construction contracts in February as compared with the previous month, the total is much ahead of February, 1933. Contracts awarded during the month amounted to $5,635,100 as compared with $3,149,300 in the corresponding month of 1933, according to MacLean Building Review. For the first two months of 1934, contracts awarded are approximately double the same period of 1933.

An important increase in contemplated work is reported, however, the total for February of $40,689,200 being the highest monthly total since November, 1931. An indication of the amount of work to be proceeded with when spring opens up can be gathered from the fact that since October 1, 1933, jobs to the value of $143,366,000 have been projected, MacLean's review states.

Halifax Port Traffic Heavier in January

From Our Own Correspondent

MONTREAL.—Volume of traffic in and out of the Port of Halifax in January last was greater than for the same month last year. During the month a total of 459 vessels entered and cleared the port compared with 432 for January 1933. The net registered tonnage was reported at 952,967, as against 915,105 for the same month last year.

The total cargo of tonnage handled inward and outward during last January is reported at 171,148 tons, an increase of about 53,000 tons over the same month last year.

Value of Shoe Output Down

Total value of production of the leather footwear industry in 1932 was $32,242,416, a decrease from 1931 of $4,383,149, or 12 per cent, and a decrease from 1930 of $8,236,495, or 20 per cent.

Canadian Business Indicators

Compiled by The Financial Post

▲Denotes new figures this week.

	Weekly Latest 1934	1933	Cumulative Jan. 1 to date 1934	1933
Transportation—				
Car loadings (Feb. 24)	▲41,463	38,939	319,250	256,215
C.P.R. gross earn. (Feb. 28)	$ ▲2,177,000	$ 1,837,000	$ 17,541,000	$ 14,776,000
C.N.R. gross earn. (Feb. 28)	$ ▲3,238,264	$ 2,565,962	$ 23,087,794	$ 19,178,812
Business Conditions—				
Weekly Index, D.B.S. (Feb. 24)	▲89.2	......	......	......
	Monthly			
C.P.R. net earn. (Jan.)	$ ▲888,989	323,372	......	......
C.N.R. net earn. (Jan.)	$ ‡808,966	$ ‡1,907,424	......	......
Iron and Steel—				
Pig iron, tons (Jan.)	30,677	29,209	......	......
Steel, tons (Jan.)	60,787	40,766	......	......
Auto. prod. No. (Jan.)	6,904	3,358	......	......
Auto Vehicles—				
Passenger, sales, No. (Jan.)	▲1,876	1,624	......	......
Trucks & buses, sales, No. (January)	▲239	178	......	......
Auto. exports, No. (Dec.)	1,657	1,132	20,900	13,022
Construction—				
Building permits (Jan.)	$ 692,962	$ 1,185,961	......	......
Contracts (Feb.)	$ ▲5,635,100	$ 3,149,300	$ 12,388,000	$ 6,511,700
Newsprint—				
Production, tons (Jan.)	188,374	140,539	......	......
Exports, tons (Jan.)	187,820	127,779	......	......
Sugar—				
Imports, raw, lbs. (Dec.)	12,718,800	22,731,400	486,962,000	674,635,900
Melt. & ship., lbs.*	16,621,105	18,766,629	......	......
Manufactured, lbs.*	22,657,397	27,303,133	......	......
Flour—				
Production, bbls. (Jan.)	▲1,042,505	859,107	......	......
Wheat flour exp., bbls. (January)	448,498	397,304	......	......
Other Industrial Indices—				
Lumbering: Plank & Board Exports, mill. ft. (Jan.)	93.98	39.17	......	......
Boots and shoes, pr. (Dec.)	944,816	978,064	19,221,303	17,879,218
Petroleum, imp., crude gal. (January)	▲57,602,568	35,084,950	......	......
Cotton, imp., raw. lbs. (January)	▲8,499,000	8,765,000	......	......
Rubber, raw, imp. lbs. (Jan.)	▲3,854,398	2,663,414	......	......
Coal, imports, tons (Jan.)	▲542,551	486,206	......	......
Gasoline sales, gals. (Nov)	43,856,000	38,237,000	473,288,000	474,107,100
Trade—				
Imports (Jan.)	$ 32,391,424	$ 24,441,133	......	......
Exports (Jan.)	$ 46,652,017	$ 31,561,813	......	......
Wheat exports, bu. (Jan.)	7,088,311	14,706,801	......	......
Labor—				
Employment Index (Feb.)	▲91.4	77.0	......	......
Electric Power—Output—				
M. Kilowatt hours (Jan.)	▲1,728,561	1,396,661	......	......
Finance—				
Failures, No. (Dec.)	159	196	2,044	2,420
Failures, Liabilities (Dec.)	$ 2,344,772	$ 7,836,377	$ 32,958,858	$ 51,629,303
Bank debits (Jan.)	$ ▲†2,597,015	$ 1,968,876	......	......
Bond sales (Jan.)	$ 43,799,000	$ 20,192,610	......	......
Insurance sales (Jan.)	$ 27,925,000	$ 29,367,000	......	......
Automobile Financing—				
Used cars (January)	$ ▲477,217	$ 544,478	......	......
New cars (January)	$ ▲362,828	$ 456,275	......	......

*Four weeks period, Jan. 6 to Jan. 27, 1934. †(000's omitted). ‡Deficit.

TOBACCO NEEDS OF CANADIANS OFF IN JANUARY

Entry for Consumption Shows Decline for Cigarettes

From Our Own Correspondent

MONTREAL.—Canadian tobacco manufacturers did not start the current year as well as in 1933, according to figures published by the Dominion Bureau of Statistics on tobacco products entered for consumption.

The Bureau reports that last January 1,156,731 pounds of cut tobacco were entered. This compares with 1,065,534 pounds for the same month last year but was under the total of 1,144,298 pounds reported for January, 1932.

Somewhat similar situation exists in regard to plug tobacco entered for consumption, the amount entered last January being 321,339 pounds, or an increase of about 21,000 pounds over that for the same month last year. Compared with January, 1932, the report for this year shows a decline of approximately 60,000 pounds.

The principal product turned out by the Canadian manufacturers is, of course, cigarettes, of which 267,435,575 were entered for consumption in the first month of this year. This compares with 310,144,850 for January, 1933. It is interesting to note that the number of cigarettes entered for consumption last January is the smallest reported since February last year, when 264,524,935 were reported.

Over-weight cigarettes continue to decline in popularity, only 14,800 being entered for consumption last January. This was approximately 25 per cent of that in the previous month and compares with 28,420 in January, 1933.

Consumption of cigars appears to be on a somewhat better basis this year than was the case in 1933, the Bureau reporting 5,069,775 as being entered last January, compared with 3,965,735 for the first month of last year.

Foreign raw leaf tobacco released for consumption last January totalled 630,982 pounds. This is the smallest quantity reported in some years and compares with 832,534 pounds in January, 1933.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Kitchener newspaper reports state that there is a probability of a skate factory being opened soon in that city.

Four plant additions are reported in local newspapers, increasing demand being given as the reason in each case. There additions are:

Canada Match Co., Hull, P.Q., plans addition of a second story to its recently rebuilt match plant. Production will be thereby doubled.

Richmond Hosiery, Ltd., plans a three-story addition to its London plant. The addition, which will cost $25,000, will be completed by the end of May.

Steel Co. of Canada is planning two additions to its Hamilton plants. A building will be erected to house an extension of the wire department and an ingot mold building will also be erected. Architects are at present preparing plans.

Dominion Foundries and Steel has obtained rough plans for erection of a building for the plate mill. The cost is estimated at $60,000. Tenders will be called shortly.

Robin Hood Mills has decided to construct facilities east of its present Calgary plant in order to double the company bin capacity of 550,000 bushels. So far tenders have not been called for, according to newspaper reports.

Business Briefs

Petroleum Imports in January amounted to 57,602,568 gals. as compared with 35,084,950 a year ago and 65,000,000 gals. in Dec.

Coal Production in January totalled 1,270,567 tons, an increase of 22.3 per cent from January a year ago.

Coke Production in January totalled 194,957 tons, the highest monthly total since May, 1930. It was 3 per cent higher than December and 30 per cent above January a year ago.

Raw Rubber Imports in January totalled 3,854,398 lbs. as against 3,972,148 lbs. in December and 2,663,414 lbs. in January a year ago.

Car Loadings in the week ended Feb. 24 totalled 41,463 cars, an increase of 511 over the previous week and 7,500 cars ahead of the corresponding week of 1933. The adjusted index number moved up from 69.98 to 72.59.

Federal Gov't. Seeks Earlier Canal Closing

From Our Own Correspondent

OTTAWA. — Negotiations between the railways and canals department and the Montreal harbor board are proceeding with regard to a change in the date upon which navigation in the St. Lawrence canals shall stop.

Owing to the early onset of winter last autumn many ships were caught in the canal system and not only were shippers severely penalized by delays but the department had to spend very large sums of money to keep the canals open. The suggestion is now being made that the date of closing might be advanced without hardship to shippers and with financial advantage to the Federal Government. By agreeing to close the canals one or two weeks earlier than has been the practice in recent years much worry and uncertainty might be avoided.

While the negotiations have been under way for some time, officials of the department of railways and canals declare that no agreement has been arrived at.

SEND B. C. APPLES BY RAIL TO EAST

Success of Experimental Consignment for U. K. Market May Mean Steady Trade

An experimental shipment of ten cars of British Columbia apples by rail to Halifax and Saint John for shipment to Britain is being closely watched by railway and shipping interests as being the probable forerunner of a steady trade. Success of the experiment rests chiefly on two factors. First, cost and, second, condition of the shipment on its arrival in the United Kingdom. Previous shipments of Canadian apples from British Columbia have been made by steamships via the Panama Canal.

The trans-Canada shipment was accompanied by provincial and grower organization experts in order to check the re-action against climatic conditions. Considerable success has been obtained in the matter of keeping even temperatures for perishable goods in transit by rail of recent years and so this use of the railways, if the cost is proven to be economical, taking into consideration other advantages, such as time in transit, may help this trade which has not been advancing during recent years.

Canadian National Railways has been closely co-operating and perishable traffic supervisors have accompanied the train over the various divisions. Special thermometers have been installed, both inside and outside the cars, the idea being to maintain car temperature at the same level as cold storage warehouses.

N. B.'s Oil Production

New Brunswick's production of crude petroleum in 1933 amounted to 5,676 barrels or an increase of 2,209 barrels over the previous year, according to federal figures.

Commodity Prices

PRICE movements during the past week have been fairly narrow, hopes for early signing of the cotton bill making this commodity the feature of the markets. Wheat, while failing to make any substantial gain. remained steady with fair amounts of export business in evidence

	Week ending Mar. 3	Previous week	Same week last yr.
Cattle, cwt.§	$6.50	$6.50	$4.25
Copper, lb.	.08	.08	.05
Cotton, lb.	.1240	.1240	.0635
Rubber, lb.	.1050	.1050	.0297
Sugar, raw, lb.	.0330	.0329	.0287
Silk, lb.	1.47½	1.55	1.20
Wheat (Man.) bu.‡	.67	.64⅝	.50⅝
Hides, lb.	.09½	.10	.04½
Coffee, lb.	.11	.11¼	.08⅛
Weekly Indices¶			
N. Y. Annalist■	108.2	108.2	79.7
Fishers'	74.4	74.2	†63.6
N. Y. Journal of Comm.	74.9	74.3	53.0
Crumps (Brit.)	65.9	66.3	†62.4
U. S. Labor*	73.7	73.3	60.1

†Average, 1933. §Mar. 1.
■Week to Feb. 27. ‡Mar. 5.
*Feb. 17.

Monthly Indices¶

Canada (D.B.S.)	Latest w'sale	Prev. month	Same month last year
W'sale (Jan.)	70.6	69.0	63.9
Retail (Jan.)	78.7	78.4	79.1
U. S. Labor (Jan.)	72.2	70.8	61.0
Gt. Brit.* (Dec.)	69.6	69.6	68.1

¶N. Y. Annalist base, 1913, others 1926 = 100.
*Board of Trade Index, converted from 1913 base.
‡Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto; copper—electrolytic, New York; silk—Japanese, 13-15, New York; sugar—96 degrees centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

INTER-EMPIRE TRADE

BARCLAYS BANK (CANADA)
OPERATING UNDER THE CANADIAN BANK ACT

PROVIDES a complete banking service for trade within the Empire. Manufacturers, merchants, importers and exporters are cordially invited to discuss their overseas banking problems and to avail themselves of direct banking facilities afforded by

THE BARCLAY GROUP OF BANKS
MAINTAINING OVER 2900 OFFICES AND WITH RESOURCES EXCEEDING $2,500,000,000

BARCLAYS BANK LIMITED With Over 2050 Branches in England and Wales
BRITISH LINEN BANK With 209 Branches in Scotland
UNION BANK OF MANCHESTER, LTD. With 164 Branches in the North of England
BARCLAYS BANK (FRANCE) LTD. 15 Branches in France and Algeria
BARCLAYS BANK S.A.I. Branches at Rome and Genoa
BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS) With Over 400 Branches in Africa and Branches in British West Indies, British Guiana, Egypt, Sudan, Palestine, Gibraltar, Malta
AND
BARCLAYS BANK (CANADA)
MONTREAL 214 ST. JAMES STREET
TORONTO 219 BAY STREET

GENERAL TRUST OF CANADA
Complete Trust Service
112 ST. JAMES ST., WEST •• MONTREAL

MILNER, ROSS & CO.
Members Toronto Stock Exchange
350 Bay Street • Toronto
Telephone Waverley 1701
BONDS STOCKS

COTTON FABRICS & YARNS
Basic raw materials for many Canadian Industries.
DOMINION TEXTILE
Company Limited
MONTREAL TORONTO HAMILTON WINNIPEG VANCOUVER

1832 THE BANK OF NOVA SCOTIA INC. AD. 1832 1934

Stability...

TODAY as down through its century of existence The Bank of Nova Scotia offers to sound business the strength of ample resources and the stability of its proven policies.

World-wide facilities in every department of banking

Coast to Coast in Canada

NEWFOUNDLAND, JAMAICA, CUBA, PUERTO RICO, DOMINICAN REPUBLIC

NEW YORK, CHICAGO, BOSTON, LONDON, ENGLAND

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE

Bank Chat on Current Topics

Marking a New Era

IMPORTANCE of the proposed Bank of Canada to Canada's financial structure is such that it is as difficult for the man on the street to visualize the change that is taking place as it is for him to visualize $1,000,000,000 with the difference that he realizes immediately that the figures represent a stupendous total while the mere setting up of another financial organization, even after a great deal of public discussion pro and con, does not seem to carry an enormous amount of significance.

The act for the incorporation of a central bank for Canada is exceedingly broad and gives exceptionally wide powers to the governor and deputy governor and the directors. The management is exceptionally free from restrictions and can exert a tremendous power upon the entire credit structure of the country. The fact alone that this power exists may easily change the methods of banking in Canada during the next decade and the use of this power will certainly have a further effect.

In the latter part of the second decade of the nineteenth century the Canadian banking system was born with the issuance of charters to several banks and the formation of a central bank in Canada in 1934 can be just as far-reaching in effect. The new legislation would appear to be just as important as was the initial Bank Act of 1871 which is the basis for our present banking system. Some close students of banking are inclined to believe that the incorporation of the Bank of Canada is as important a turning point in the history of Canadian financial institutions as is the Act of Confederation and the declaration of war in 1914 in Canadian history.

* * *

Head Office for Ottawa

FOR the first time since 1919 when the Bank of Ottawa was merged with the Bank of Nova Scotia the capital city of the Dominion will contain the head office of one of the Canadian banks. Since a central bank became a distinct possibility there has been speculation as to whether the head office would be in Ottawa or Montreal while a very few hopefuls felt that Toronto might be considered.

* * *

F. M. Gibson Had Many Friends

THE late Frederick M. Gibson, who, up to his death on February 25 was assistant general manager of the Canadian Bank of Commerce in charge of Quebec and Maritime branches, had a gift not only of making but of keeping friends. Few bankers in Canada were better known throughout the country. Exceptionally thorough in his work, Mr. Gibson had an even temperament that enabled him to get through the business of the day with a minimum of flurry and worry. His capacity for making friends of clients of the bank and keeping their goodwill is indicated by the regret expressed to head office officials by clients throughout Canada.

Staff Changes

The Bank of Montreal announces the following staff changes:

A. I. B. BELCHER has been transferred from Lacombe, Alta., to manage the branch at Charlottetown, P.E.I.

S. J. D. BOYD, is transferred from the superintendent's department, Calgary, to be manager at Lacombe.

B. N. SYLVESTER, manager at Smiths Falls, Ont., has been transferred to Walkerville, Ont., as manager.

W. I. HOGG, manager at Walkerville, goes to Victoria Ave., branch, Hamilton, as manager.

G. C. CHUBB, manager at Aurora, Ont., goes to Smiths Falls, Ont., as manager.

Branch Changes

January marked the opening of one bank branch in Pioneer, B.C., by the Bank of Toronto and the closing of one branch on January 31 by the Bank of Nova Scotia at Mancel, Que. Four branches were closed by the Royal Bank on December 30 which were not reported in December figures so that at the end of January there were 3,637 branches in operation in Canada, foreign branches were reduced by one to 130 and Newfoundland branches at 25. The branches closed by the Royal Bank were Macleod, Alta., Manzanillo, Cuba; New Hamburg, Ont., and Simpson, Sask.

The Canadian Bank of Commerce closed its branch at Mexico City, Mexico D. F. on February 28.

Coast Lumber Sales Up

Some 55,000,000 feet of lumber were exported from British Columbia during January and all sawmills operating report large export orders on hand and indications that this business will continue to increase. Four ships with full cargoes of British Columbia lumber left for Australia the other day.

Bankers Bond Co. Moves Office

Bankers Bond Co. have moved from the Bankers Bond Building, 60 King St. West, Toronto, to 920 Bank of Hamilton Building, 67 Yonge St. The premises vacated by the company will be occupied by the Toronto branch of Barclays Bank.

Weekly Bank Clearings

	Mar. 1 $	Change %	Feb. 22 $
Halifax	1,573,151	—20.0	1,738,743
Saint John	1,493,500	+17.2	1,424,298
Moncton	664,331	+ 3.0	604,472
Sherbrooke	461,931	+15.2	500,432
Quebec	3,205,936	+ 4.2	3,649,402
Montreal	78,516,335	+11.9	81,817,853
Ottawa	3,391,811	+35.6	3,870,840
Kingston	428,702	+ 1.7	399,491
Peterborough	541,833	+20.4	481,973
Toronto	119,720,971	+44.1	105,620,148
Hamilton	3,043,719	+ 1.0	3,221,854
Kitchener	965,219	+20.9	865,979
Chatham	432,827	+11.5	352,468
Brantford	636,180	+16.0	643,171
London	2,262,019	— 6.7	2,235,706
Windsor	1,909,358	—19.0	2,084,686
Sarnia	314,435	+ 0.4	370,399
Sudbury	603,068	+46.3	490,467
Ft. William	441,051	+12.0	511,859
Winnipeg	30,409,392	+20.4	24,089,143
Brandon	201,640	—13.6	210,918
Regina	2,513,737	+13.6	2,207,706
Moose Jaw	382,211	— 8.6	401,550
Pr. Albert	285,954	+29.9	233,216
Edmonton	2,997,984	+17.3	3,318,052
Calgary	3,975,720	— 4.7	3,996,864
Medicine Hat	164,549	+ 6.6	192,861
Lethbridge	267,159	—18.5	310,088
N. W'minster	521,680	+34.0	440,697
Vancouver	14,061,882	+22.4	14,601,109
Victoria	1,408,317	+19.1	1,339,530
Saskatoon	902,848	— 7.3	1,007,197

Current Events in Banking World

Central Bank Means Widespread Changes In Canada's Finance

Open Market Power May be Strongest Arm at Start

DISCOUNT RATE

Spread of Influence May be Slow — Important Effects on Commercial Banks

The Bank of Canada, the Dominion's new central bank, will mean many important changes in the fiscal phase of Canadian economy. Among others, these things may result from its creation:

A bank rate of interest.

Gradual development of a Canadian money market.

Direct influence of prices of Government securities.

Recognition of commercial banks as just that.

One thing appears certain from examination of the arguments pro and con of a central bank and the proposed legislation for creation of the Bank of Canada: it will be years before the full effect and influence of the institution will be in play. While some of the superficial evidences that we have a central bank, such as the weekly bank rate, will be seen shortly, the operations of the bank will only take effect on the Canadian economy over a period of years. At least that is what even the informed, among the ardent, proponents of the proposed bank have conceded.

Important Powers

Important banking instruments will be given to the Bank of Canada under the proposed legislation. The bank will have the power to buy and sell securities in the open market; to discount securities and commercial bills; to fix minimum rates at which it will discount; to buy and sell bullion and foreign exchange; to hold five per cent of the deposits of chartered banks as deposits; to control the note issue.

None of these things is new in central banking. But they are new to Canada. Exactly what they mean to business and investment in Canada it is difficult for even the expert to tell. For one thing, there will be no means of knowing for a long time to what extent some of the powers of the bank will be used.

Power to buy and sell securities in the open market can have vital influences on bond prices. It is possible that rates of interest on Canadian short term securities may be greatly lowered by the bank if it buys with sufficient abandon. For one thing, the supply of short term securities is much smaller in Canada than in countries like Great Britain and the United States. A heavy buying policy in short-term issues, would tend to drive other institutions into other forms of investment, according to central banking theory. This, in turn would be an influence to lower interest rates throughout the country. Here would be control of credit and interest rates.

Short Terms Scarce

But short term securities are a bit scarce here, according to authorities. Nevertheless, they can be created. Canadian Governments have shown their ability to do this. There would be nothing to prevent them issuing more short term loans, although at times this might have its dangers. At the beginning, in any event, it is thought that the scarcity of short term issues will confine the scope of the bank. For a time, therefore, this most important of credit control instruments may not be in effective use. And even when it is in use, it may not be effective. In the United States, open market purchasing by the Federal Reserve Banks has been hampered in effectiveness by the peculiar conglomeration of banking laws and institutions in that country.

Discount Rate

One thing Canada will have almost from the outset is a discount rate. There has been one ever since the Finance Act was passed nearly 20 years ago, but few have heeded it. The discount rate will be the minimum rate at which the Bank of Canada will lend to commercial banks on endorsed commercial paper deposited with it.

Since there is little use made of this privilege of discount, which has existed for years under the Finance Act, the situation is not expected to change over night. To this extent the discount rate may be ineffectual for some time, as an instrument in credit control. If, however, the Bank of Canada had the power to order chartered banks to adjust their loan and deposit rates to the discount rate, it would have a greater influence, as A. F. W. Plumptre pointed out in The Financial Post over a year ago. But the Bank of Canada will not have this power, at least not at first.

The discount rate is an effective instrument of credit control for the Bank of England, and sometimes for the U. S. Federal Reserve System. The reason for this is that the London and New York money markets respond to a change in the central bank rate. In Canada, there is practically no money market. Thus, lacking the power to force certain rates on the commercial banks, and lacking a money market, Canada's forthcoming discount rate may not mean much for some time, even in the opinion of central bank proponents.

Money Mart May Come

The question is whether a money market will develop. London has the world's greatest because of its tremendous international commerce and finance. There is every form of negotiable instrument drifting around the London market in volume. Canada, on the other hand, is less centralized. A Canadian money market, however, like Topsy, may just grow. If conditions in Australia can be taken as a reasonable parallel, this growth may take anywhere from 10 to 50 years.

A new feature in Canadian finance has developed already since "Bill 19" the Bank of Canada statute, was presented to parliament. It is the calling for tenders for $15,000,000 of three and eight months treasury bills of the Dominion Government. Ottawa has given it out that this is the ordinary course of Government business. But others see it as heralding the day when the Dominion will bring out frequent issues of treasury bills, and will keep a greater proportion of the national debt in this form to aid the open market operations of the Bank of Canada. If this is what is coming, the open market instrument of the bank will be strengthened, according to close students

The significance of this to business, and especially to investors and investment dealers, would perhaps be that control of the bank over money rates, through interest rates on Government securities, will be materially extended. It is also noteworthy that the Dominion created a comparatively large supply of short term securities at the time of the last conversion loan; that provinces and municipalities have been creating such securities through issue of relief debentures and treasury bills; that the Dominion has large maturities this year that could be largely converted into short term bills. The field in which this instrument of the bank could operate, therefore, can be greatly widened even in the present year.

Economists have repeatedly pointed out that the Bank of Canada will have to kowtow to London and New York in some respects. It will not be able to go on a credit spree independently of the major markets. This, of course, will not be new to Canada. We have always been profoundly influenced in this manner. But the Bank of Canada does something new in our international relations. It provides a channel, a single banking authority, through which Canada may consciously co-operate with other countries in international fiscal policies. Whether this will turn out for better or for worse remains to be seen.

The Bank of Canada is modelled on the lines of the Bank of England, as far as operating plans can be calculated from preliminary survey of the statute to bring into being an institution that has [illegible] It differs from the Old Lady of Threadneedle Street, however, in that the London bank has almost no rules to follow, except those gained from experience. Canada's central bank will also differ from the U. S. Federal Reserve system in that it will not be surrounded with red tape, and thousands of banking pygmies. In respect of an awkward banking system also, it will differ from the Bank of France.

Unlike the Commonwealth Bank of Australia, it will not compete with the commercial banks for private accounts. Unlike the Reserve Bank of South Africa, it will have a strong domestic system within which to function. The Bank of Canada will have most of the important powers of the great central banks of the world; yet it will differ from all of them, partly because of its environment, partly because of its constitution.

Effect on Banks

The Bank of Canada will have an important influence on the great commercial banks. The other banks will drop out as Government bankers. They will ultimately cease to be the conscious or unconscious creators of credit. Rt. Hon. Reginald McKenna, chairman of the Midland Bank, London, recently outlined the position in England in which the commercial banks may ultimately find themselves in Canada. Said he:

"The first effect of central bank action on the joint stock banks is felt in their cash reserves. These reserves, generally described as bank cash, are the basis on which the joint stock banks conduct their day-to-day operations. Strange as it may appear at first sight, the total amount of bank cash does not depend upon anything the joint stock banks themselves may do. It is true that the shares of bank cash held by the individual banks are determined by the play of competition between them, but it is entirely beyond their power to vary the sum total, which is controlled by the Bank of England. The influence of the quantity of cash reserves on banking operations can hardly be overstated, for not only are these reserves the active element in a bank's daily business, but in their totality they govern the aggregate volume of bank deposits."

The Canadian commercial banks, in this kind of picture, would find themselves subservient to Bank of Canada policies For a time they might be able to resist, if they were opposed, but as the bank's powers grow, the commercial banks may find themselves becoming more the servants in a monetary system not of their own creation.

Newfoundland Loan Conversion Success

Newfoundland loan conversions into three per cent sterling stock, guaranteed by Great Britain, is reported a success. Nearly 98 per cent of the securities eligible for conversion accepted the United Kingdom offer, it is reported. The funded debt of the island is now almost entirely payable in sterling.

Debt converted amounted to nearly $73,000,000 of a total eligible of $74,400,000, it is understood. In 1932, the total funded debt was $87,776,199, of which $9,801,465 was to be left outstanding under the British refinancing plan, and some $3,600,000 paid off. The saving in interest is placed at £150,000 annually.

JANUARY GAIN IN BANK DEBITS IS QUITE MARKED

Increased 26 p.c. Over December — 32 p.c. Over Jan., 1933

Volume of bank debits in Canada showed marked gain during January, an increase of 23 per cent over the December volume after adjustment for seasonal tendencies. In each of the five economic areas gains were recorded, 13.1 per cent in the Maritimes; 7.8 per cent in Quebec; 31 per cent in Ontario; 20.7 per cent in the Prairie Provinces and 16.6 per cent in British Columbia.

In comparison with the volume of debits in January, 1933, the gain is practically the same with an increase of 32 per cent. In this comparison, however, by far the greatest improvement is shown by Ontario with an increase of 49.2 per cent while Toronto alone had an increase of 60.2 per cent. In part, this gain can probably be attributed to increased trading activity on the Toronto Stock Exchange. Compared with January, 1933, Quebec shows a gain of 25.9 per cent; the Maritimes a gain of 12.6 per cent; the Prairie Provinces a gain of 7.9 per cent and British Columbia a gain of 15.8 per cent.

Most Cities Gain

A majority of the clearing house centres show a gain in January, 1934, over January, 1933. This gain is most marked in the case of Toronto, Montreal, Ottawa, Winnipeg and Vancouver while Quebec, Sarnia, Calgary, Edmonton, Moose Jaw and Victoria show the chief losses.

Bank Debits to Individual Accounts at the Clearing House Centres of Canada, January, 1934, With Comparative Figures for December, 1933, and January, 1933
(000's omitted)

Prov. & Clear. House Centers	Jan. '34 $	Dec. '33 $	Jan. '33 $
Maritime Provinces—			
Halifax	21,831	21,230	19,411
Moncton	7,897	7,910	6,467
Saint John	13,241	12,265	12,370
Total	42,968	41,405	38,248
Quebec—			
Montreal	720,924	730,982	546,404
Quebec	38,179	57,104	55,450
Sherbrooke	4,989	5,397	5,132
Total	764,092	793,483	606,986
Ontario—			
Brantford	6,690	7,457	6,387
Chatham	5,472	7,782	5,326
Ft. William	3,535	4,290	3,600
Hamilton	37,786	37,012	32,548
Kingston	4,505	4,826	3,915
Kitchener	8,737	8,725	7,658
London	25,548	26,195	24,500
Ottawa	101,673	112,544	86,812
Peterborough	4,436	5,352	3,929
Sarnia	5,708	8,921	6,729
Sudbury	3,556	4,262	2,581
Toronto	1,049,618	873,314	655,255
Windsor	14,990	14,652	13,264
Total	1,272,344	1,115,283	852,504
Prairie Provinces—			
Brandon	2,516	2,171	2,165
Calgary	42,775	40,490	43,800
Edmonton	31,965	30,744	37,647
Lethbridge	3,540	3,714	2,638
Medicine Hat	1,353	2,016	1,483
Moose Jaw	3,078	4,129	4,493
Prince Albert	1,560	1,789	1,405
Regina	28,818	30,733	27,163
Saskatoon	7,586	8,983	7,718
Winnipeg	257,057	285,999	225,181
Total	381,651	410,768	353,783
British Columbia—			
New W'minster	4,187	4,199	3,536
Vancouver	111,837	98,637	91,845
Victoria	20,435	19,146	22,474
Total	135,959	121,982	117,355
Grand Total for Canada	2,597,015	2,491,921	1,968,876

Current Loans by Banks Reduced During January

Deposits in Canada and Abroad Drop $38,225,000, of Which $26,097,000 is in Demand Deposits — Security Holdings Are Lower

Contraction in the amount of current loans and call loans in Canada is the chief feature of the January statement of the Canadian chartered banks. Current loans are $19,411,000 lower than in December and $66,992,000 under the level of January, 1933. Canadian call loans show decline of $2,252,000 from December but a gain of $3,699,000 over January, 1933, as could be expected with increased activity and strength in security markets.

Immediately available liquid resources are down by $24,284,000 from the December level due largely to drop in holdings of Government securities which are down by $15,878,000. In addition holdings of public securities are down by $11,581,000 and provincial loans are down by $5,556,000 and railway securities are lower by $1,899,000. There is a slight increase in holdings of foreign currency and in balances with foreign banks.

Deposits Sharply Down

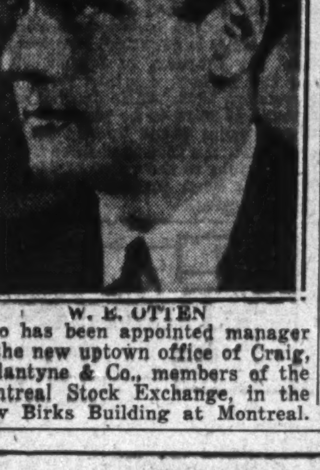
Deposits are lower by $38,225,000 with demand deposits off $26,097,000; at $475,774,000 savings deposits off $6,018,000 at $1,350,904,000 and deposits abroad off $6,115,000 at $316,072,000. Demand deposits are $29,783,000 higher than in January, 1933, saving deposits are $31,971,100 lower. Liabilities to the Dominion Government are down by $10,143,000 while advances under the Finance Act have been reduced to $44,344,000 from $50,388,000. Notes in circulation are down by $10,840,000.

The statement of the banks as at January 31, 1934, compared with the statement as at December 30, 1933, and January 31, 1933, is as follows:

	Jan., 1934 $	Dec., 1933 $	Change $	Jan., 1933 $	Change $
ASSETS					
Immediately Available Liquid Resources					
Specie	50,759,129	49,914,262	+ 844,867	54,256,224	— 3,497,095
Dom. notes	139,449,003	139,732,921	— 283,918	146,339,766	— 6,890,163
Gold reserve	14,581,732	17,781,732	— 3,200,000	18,881,732	— 4,300,000
Foreign banks	80,157,607	82,652,962	— 2,495,355	93,780,638	—13,623,031
Foreign curr.	19,229,529	18,614,990	+ 614,539	17,944,991	+ 1,284,538
Govt. secs.	635,190,432	651,068,470	—15,878,038	568,196,456	+66,993,976
Call loans ab'd.	86,135,938	90,071,910	— 3,935,972	83,770,260	+ 2,415,678
	1,025,553,370	1,049,837,247	—24,283,877	983,169,467	+42,383,903
Loans and Securities Other Than Those of Canadian Government					
Pub. secs.	146,497,409	158,078,288	—11,580,879	168,050,375	—21,552,966
Railway secs.	49,959,940	51,869,396	— 1,899,456	47,967,688	+ 1,992,252
Can. call loans	103,698,207	105,949,889	— 2,251,682	99,998,855	+ 3,699,352
Current loans	878,748,673	898,159,673	—19,411,000	945,740,389	—66,991,716
Loans abroad	136,339,485	138,058,578	— 1,719,093	151,088,947	—14,694,462
Prov loans	23,242,615	28,798,480	— 5,555,865	23,041,425	+ 201,190
Mun. loans	110,147,586	108,826,297	+ 1,321,289	114,645,673	— 4,498,087
	1,448,633,915	1,489,730,598	—41,096,683	1,550,478,352	—101,844,437
Other Assets					
Non-curr. loans	13,608,019	13,231,466	+ 376,553	13,530,406	+ 77,613
Real estate	7,534,199	7,436,686	+ 97,513	7,580,961	— 46,762
Mortgages	6,270,743	6,221,650	+ 49,093	6,463,813	— 193,070
Premises	78,367,434	78,254,447	+ 112,987	79,232,160	— 864,726
Lets. of credit	51,207,846	49,378,947	+ 1,828,899	40,244,749	+10,963,097
Loans to comp.	13,091,273	13,078,802	+ 12,471	13,063,406	+ 27,867
Other assets	1,809,519	1,500,328	+ 309,191	1,523,016	+ 286,503
	171,889,033	169,102,326	+ 2,786,707	161,638,511	+10,250,522
Total	2,646,076,318	2,708,670,171	—62,593,853	2,695,286,330	—49,210,012
Note cir. dep.	6,506,708	6,503,388	+ 3,320	6,605,675	— 98,967
Int. bank bal.	91,284,891	100,579,245	— 9,294,354	81,928,746	+ 9,356,145
Gross	2,743,867,917	2,815,752,804	—71,884,887	2,783,820,751	—39,952,834
LIABILITIES					
To the Public					
Circulation	121,218,816	132,058,957	—10,840,141	116,868,992	+ 4,349,824
Dom. Govt.	23,191,444	33,334,492	—10,143,048	37,508,922	—14,317,578
Prov. Govt.	27,051,856	27,912,951	— 861,095	20,636,434	+ 6,415,422
Govt. advances	44,344,000	50,388,000	— 6,044,000	46,744,000	— 2,400,000
Deposits by Public					
Demand dep.	475,774,365	501,870,943	—26,096,578	445,991,023	+29,783,342
Savings dep.	1,350,903,682	1,356,916,826	— 6,013,144	1,382,874,932	—31,971,250
Total	1,826,678,047	1,858,787,769	—32,109,722	1,828,865,955	— 2,187,908
Foreign dep.	316,071,916	322,186,867	— 6,114,951	316,227,059	— 155,143
Due to Banks Abroad, Etc.					
United Kingdom	5,066,818	4,959,293	+ 107,525	4,899,349	+ 167,469
Foreign	26,211,090	33,430,138	— 7,219,048	40,723,826	—14,512,736
Bills payable	862,948	864,999	— 2,051	515,809	+ 347,139
Lets. of credit	51,207,846	49,378,947	+ 1,828,899	40,244,749	+10,963,097
Other liabs.	2,336,032	2,388,592	— 52,560	2,558,750	— 222,718
Total public liab.	2,444,240,813	2,515,691,005	—71,450,192	2,455,793,845	—11,553,032
Due bet. banks	10,863,148	13,048,033	— 2,184,885	9,869,812	+ 993,336
Liability to Shareholders					
Dividends	957,068	626,338	+ 330,730	1,156,948	— 199,880
Reserve	132,500,000	132,500,000	......	162,000,000	—29,500,000
Capital	144,500,000	144,500,000	......	144,500,000	......
Gross	2,733,061,029	2,806,365,376	—73,304,347	2,773,320,605	—40,259,576
Credit index*	53.8%	54.0%	— 0.2%	57.2%	— 3.4%

* Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Appointed Manager



W. E. OTTEN

Who has been appointed manager of the new uptown office of Craig, Ballantyne & Co., members of the Montreal Stock Exchange, in the New Birks Building at Montreal.

PEMBROKE ASKS MUNICIPAL BOARD FOR SUPERVISION

Town Cannot Meet Debenture Maturity March 1

Town Council of Pembroke, Ont., 80 miles above Ottawa on the Ottawa River, has voted unanimously to apply to the Ontario Municipal Board for a board of supervisors to manage its affairs. The town has a debenture maturity of $43,000 on March 1, which, it is indicated, cannot be met, although interest is expected to be paid.

Refusal of bankers to increase the town's loan of $130,000 is the immediate reason for the action, it is reported. Other liabilities include $71,000 in rates owing to the county of Renfrew, $20,000 owing to January accounts and some $60,000 needed for expenditures before first tax collections are made.

The town's precipitate action is considered regrettable in some quarters. Pembroke has always been considered a substantial town, and it is felt that undesirable stigma might have been avoided by a preliminary consultation with bondholders. It is claimed that a scrutiny and adjustment of expenditures might readily have put the town back on a satisfactory basis, without need for supervisors.

Pembroke had a population of 9,874 at Dec. 31, 1932, and funded debt of $865,244. Industries are chiefly lumbering and woollen mills.

Collections in 1933 of the year's levy were $212,652, or 72.86 per cent of the total of $291,846. Arrears collected totalled $65,622. Total arrears at the end of the year were $168,339, of which $89,145 was for years prior to 1933. This record is much better than those of most of the Ontario municipalities that have become financially embarrassed.

It is noteworthy that the Ontario Municipal Board has not appointed supervisors in all cases where they have been requested. But where they have been appointed, the province has generally relieved the municipality of all cost of unemployment relief. In some cases the board has taken weeks to appoint supervisors.

Foreign Exchange

FOREIGN exchanges were comparatively static in the week ended March 5. The position of the Canadian dollar has been improved through importation of American capital into Canadian investments, it is reported. English money is also said to be continuing to flow into Canada. Another important source of strength has been continuation of a substantial export balance from Canada.

The American dollar has become steadier near its new gold parity. Inflow of gold to the United States has continued, but at a more moderate pace than when devaluation was first announced. This and other factors have indicated lessening of the strain on the franc, to which sterling appears to have been tied above 77 francs to the pound. If franc stability appears assured, it is possible that sterling will be allowed to decline. There has been some agitation for further depreciation of the pound. French officials have denied planning devaluation of the franc.

FOREIGN EXCHANGE
New York Funds

	High (Premium) %	Low %	Last Year High (Premium) %	Last Year Low %
Feb. 27	11-16	9-16	20¾	19 9-16
Feb. 28	11-16	⅝	20	19⅜
Mar. 1	⅝	17-32	20¼	19½
Mar. 2	9-16	1-2	20¼	18⅝
Mar. 3	1-2	1-2	19⅛	15⅝
Mar. 5	9-16	1-2	20	20

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Feb. 27	5.06¾	.0657½	.0865
Feb. 28	5.06½	.0657½	.0858
Mar. 1	5.08	.0657½	.0858
Mar. 2	5.07⅝	.0658½	.0864½
Mar. 3	5.07½	.0658	.0862
Mar. 5	5.07	.0658¼	.0860

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Feb. 27	5.10⅛	0.0662	0.0871
Feb. 28	5.09⅝	0.0661½	0.0867
Mar. 1	5.10½	0.0661	0.0861½
Mar. 2	5.10	0.0661	0.0868
Mar. 3	5.10	0.0661	0.0866
Mar. 5	5.09¾	0.0662	0.0864½

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Feb. 27	0.3887	0.2349	0.3061
Feb. 28	0.3987	0.2344	0.3060
Mar. 1	0.3981	0.2342	0.3042
Mar. 2	0.3992	0.2343	0.3055
Mar. 3	0.3990	0.2344	0.3055
Mar. 5	0.3992	0.2343	0.3057

Salmon in Demand

Total shipments of canned salmon from the Port of Vancouver during December, 1933, were 82,829 cases, bringing the total shipments for the pack year to December 31 to 690,922 cases.

GREY & BRUCE TRUST LIQUID RATIO IS UP

Volume of Business Increased During 1933 — Two New Directors

Grey & Bruce Trust & Savings Co., Owen Sound, Ont., had profit of $42,534 in 1933 and, after deduction of reserves for taxes and depreciation on buildings and a reserve of $11,845 for overdue interest on mortgages, had a net profit of $22,236 equal to 4.09 per cent on paid up capital of $544,700. Dividends were continued at the rate of 4 per cent on the $50 par value shares. In 1932 the company earned 4.75 per cent after deducting reserve of $15,000 for overdue interest on mortgages.

During 1933 the company increased its business with assets in estates and trusts account up to $649,217 from $506,340 and deposits with the company in guaranteed trust account up to $1,179,488 from $1,096,082. Trust deposits remain practically unchanged at $601,680 while general guaranteed investment receipts are up to $577,808, including interest, from $494,918 shown in 1932.

Strong Liquid Position

Liquid position has been strengthened with a ratio of strictly liquid assets to trust deposit liabilities of 82.5 per cent as against 57 per cent in 1932. In guaranteed trust account, investment in Dominion and provincial bonds is up to $414,211 from $261,939 in 1932 while municipal bonds shown at $64,902 in that year are no longer shown. Cash is up to $54,436 from $653. Investment in mortgages in guaranteed trust account is down to $671,088 from $743,452 while interest is practically unchanged at $31,681.

In capital account investment in Dominion, provincial and municipal bonds is shown at $17,949 and investment in other bonds at $106,650. Mortgages and agreements of sale are shown at $375,955 as against $344,623 in mortgages in 1932 while interest is up to $41,341 from $30,125. Real estate other than premises is up to $51,218 from $46,170. The company has total reserves of $130,849 of which $75,000 is general reserve, $17,403 is contingent reserve and $27,318 is mortgage interest reserve and $11,128 is for depreciation on buildings and fixtures.

O. E. Manning, general manager of the company, and L. D. Merriam, Chatsworth, have been elected directors of the company. Directors are as follows: C. A. Fleming, W. S. Middlebro, K.C.; Dr. A. L. Danard, G. D. Fleming, James Gardner, Dr. G. H. Holmes, G. S. Kilbourn, George J. Mills, G. D. McLauchlan, W. H. Taylor, O. E. Manning and L. D. Merriam.

Earnings Record

Year	Paid-up Capital $	Net Profits* $	Div. Rate %	Rate Earned %
1928	544,700	39,649	6	7.28
1929	544,700	35,996	6	6.61
1930	544,700	40,850	6	7.50
1931	544,700	38,585	6	7.09
1932	544,700	25,882	4	4.75
1933	544,700	22,236	4	4.09

*After deducting reserve for depreciation, taxes and reserve for overdue interest on mortgages.

Year	Guar. Account $	Estates under Adminis. $	General Reserve $
1928	974,748	80,872	70,000
1929	1,057,960	189,638	70,000
1930	1,102,123	305,220	75,000
1931	1,131,526	431,270	75,000
1932	1,112,385	506,340	75,000
1933	1,190,805	649,217	75,000

Manitoba Mining Grows

In the last decade more than $50,000,000 have been spent in mining exploration in Manitoba and in bringing active mines to production. Last year eleven mines had an output in mineral production of over $11,000,000 and T. C. Anderson, president of the Manitoba Chamber of Mines is confident that 1934 will see an even greater production.

Prospecting in New Brunswick

During the past year 73 prospecting licenses were issued in New Brunswick and 397 mining claims reported, while 189 rock or mineral specimens were reported upon by the Department of Lands and Mines.

Coast Wheat Exports

Wheat exports through New Westminster last year totalled 1,659,740 bushels compared with 315,700 bushels in 1932.

Monthly Bank Clearings

	Feb., 1933 $	Feb., 1934 $
Halifax	6,622,457	7,0[illegible]6,438
Saint John	5,371,426	5,871,015
Moncton	2,218,890	2,349,494
Sherbrooke	1,841,162	1,842,699
Quebec	13,247,753	13,586,618
Montreal	283,452,137	311,761,206
Ottawa	13,516,713	14,794,960
Kingston	1,675,758	1,705,744
Peterborough	1,752,913	2,107,419
Toronto	328,426,618	400,109,922
Hamilton	11,906,815	13,493,496
Kitchener	2,831,142	3,650,260
Brantford	2,443,680	2,584,235
London	8,162,809	8,[illegible]
Chatham	1,497,527	[illegible]
Windsor	7,650,761	[illegible]
Sarnia	1,220,453	[illegible]
Sudbury	1,509,805	[illegible]
Fort William	1,721,995	2,004,[illegible]
Winnipeg	91,010,939	103,[illegible]
Brandon	888,038	[illegible]
Regina	8,629,115	9,19[illegible]
Moose Jaw	1,484,174	1,988,[illegible]
Saskatoon	3,808,230	3,022,[illegible]
Prince Albert	701,400	1,001,[illegible]
Edmonton	10,191,251	13,244,[illegible]
Calgary	16,372,333	16,307,[illegible]
Medicine Hat	548,073	700,[illegible]
Lethbridge	1,059,746	1,[illegible]
New Westminster	1,460,908	1,[illegible]
Vancouver	44,005,344	55,[illegible]
Victoria	4,550,627	5,[illegible]

Position of Chartered Banks of Canada as of January 31, 1934, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Balance Due to Dominion Government $	Advances under Finance Act $	Balances Due to Provincial Governments $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits Elsewhere $	Bal. due to other banks in Canada $	Due to Banks in U.K. $
Montreal	31,117,925	14,393,635	9,000,000	5,715,061	126,922,556	379,748,146	60,868,345	1,037,553	1,545,566
Nova Scotia	10,640,725	1,052,353	3,214,000	947,318	33,735,949	132,075,308	35,013,363	2,292,306	278,396
Toronto	5,436,754	512,266	1,500,000	1,196,038	21,335,843	61,464,066	....	444,403	128,457
Provinciale	3,305,600	310,401	600,000	43,396	3,756,022	31,335,746	....	33	....
Commerce	21,859,984	1,651,856	7,000,000	4,791,626	101,987,969	275,787,325	52,922,435	1,487,261	755,995
Royal	27,671,233	3,181,054	12,000,000	8,382,370	122,437,903	260,942,324	162,808,440	926,464	806,075
Dominion	5,713,273	599,029	3,956,000	1,046,653	21,101,362	60,088,966	3,390,176	1,348,371	126,822
Nationale	8,106,549	577,908	5,300,000	1,475,448	15,696,370	76,599,358	1,060,908	651,446	13,392
Imperial	7,113,598	773,868	1,590,000	3,303,946	25,768,076	70,621,628	....	1,436,439	116,718
Barclays (Canada)	253,175	139,074	184,000	150,000	2,032,315	2,292,475	....	428,972	1,794,897
Total	121,218,816	23,191,444	44,344,000	27,051,856	475,774,365	1,350,903,682	316,071,916	10,863,148	5,066,818

NAME OF BANK	Due to Banks Elsewhere $	Bills Payable $	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $
Montreal	3,953,222	162,923	6,531,162	1,636,204	728,429	38,000,000	36,000,000	718,256,733
Nova Scotia	1,697,619	233,454	5,884,764	231,963	12,939	24,000,000	12,000,000	263,311,363
Toronto	1,118,710	....	1,056,237	144,280	1,387	9,000,000	6,000,000	109,333,475
Provinciale	69,945		53,067	1,940	4,238	1,000,000	4,000,000	44,480,391
Commerce	6,346,466	70,421	14,531,328	....	11,485	20,000,000	30,000,000	532,205,207
Royal	9,224,354	396,150	20,165,071	61,488	16,630	20,000,000	35,000,000	684,520,118
Dominion	624,117	....	1,995,505	260,113	2,716	7,000,000	7,000,000	114,102,927
Nationale	339,764	....	456,190	....	3,405	5,000,000	7,000,000	122,289,443
Imperial	1,047,091	....	495,681	....	175,750	8,000,000	7,000,000	127,442,828
Barclays (Canada)	1,794,793	....	38,841	....	....	500,000	500,000	10,118,545
Total	26,211,090	862,948	51,207,846	2,335,985	957,068	132,500,000	144,500,000	2,733,061,029

NAME OF BANK	Capital Authorised $	Capital Subscribed $	% Last dividend %	*Loans to Directors and firms of which they are partners $	Average gold and Coin Held $	Average Dominion Notes Held $	Greatest amount of notes in Circ. $
Montreal	50,000,000	36,000,000	8	1,161,324	16,748,018	45,746,544	33,336,5[illegible]
Nova Scotia	15,000,000	12,000,000	12	3,009,846	9,150,650	16,514,277	11,521,5[illegible]
Toronto	10,000,000	6,000,000	10	928,856	393,790	4,402,000	6,018,2[illegible]
Provinciale	5,000,000	4,000,000	6	607,732	238,471	438,990	3,780,0[illegible]
Commerce	50,000,000	30,000,000	8	4,299,944	11,731,000	31,319,000	23,763,0[illegible]
Royal	50,000,000	35,000,000	8	2,201,072	9,333,896	17,960,997	30,076,[illegible]
Dominion	10,000,000	7,000,000	10	1,646,888	460,000	2,335,000	6,261,[illegible]
Nationale	10,000,000	7,000,000	10	201,639	945,822	1,084,194	9,394,[illegible]
Imperial	10,000,000	7,000,000	10	547,902	538,834	4,037,337	7,733,[illegible]
Barclays (Canada)	500,000	500,000	......	....	11,976	91,052	292,[illegible]
Total	210,500,000	144,500,000	......	14,705,833	49,761,437	124,[illegible],381	133,128,[illegible]

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin $	Dominion Notes $	Notes of other banks $	United States and other foreign currencies $	Cheques on other banks $	Balances due from other banks in Canada $	Due from banks in U.K. $	Due from banks elsewhere $	Government securities $
Montreal*	16,661,523	55,881,054	1,957,045	325,922	24,112,461	321	3,077,334	10,928,182	256,195,306
Nova Scotia	9,271,734	11,612,892	649,180	2,129,770	7,447,826	....	4,883,584	3,972,847	65,000,942
Toronto	408,472	3,609,970	373,675	21,594	4,092,170		3,135,0[illegible]	1,017,830	31,632,867
Provinciale	253,060	376,596	288,615	54,334	1,190,010	1,395,782	7,72[illegible]	166,123	10,247,943
Commerce†	11,730,612	31,619,343	1,357,475	984,171	14,541,814	18,015	726,54[illegible]	1,069,415	76,964,254
Royal‡	10,242,880	27,100,574	1,870,766	15,575,090	16,337,234	900	2,813,04[illegible]	310,381	100,478,658
Dominion	660,011	3,060,167	469,085	48,411	3,737,961	....	378,815	897,202	25,226,170
Nationale§	964,248	1,322,376	454,350	58,084	2,924,424	222,010	151,723	381,942	25,891,882
Imperial	561,439	4,812,387	420,435	29,817	5,104,304	643,468	796,690	1,279,791	22,450,628
Barclays (Canada)	13,120	53,644	15,775	2,336	582,060	1,078,501	4,425,530	237,240	1,335,083
Total	50,759,129	139,449,003	7,856,401	19,229,529	80,0[illegible]	3,358,997	20,396,876	50,760,731	635,190,432

NAME OF BANK	Canadian municipal British and foreign securities $	Railway and other Bonds and Stocks $	Call loans in Canada $	Call loans elsewhere $	Other current loans in Canada $	Other current loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-current loans $
Montreal*	41,106,078	9,556,922	5,772,726	25,459,915	193,810,064	6,795,022	5,295,339	33,779,331	3,831,791
Nova Scotia	16,391,323	7,708,869	7,309,290	2,626,183	85,008,156	13,035,425	2,128	7,887,892	909,628
Toronto	6,417,804	801,320	5,031,944	....	43,065,883	....	....	4,503,493	361,936
Provinciale	4,810,891	2,992,991	4,958,812	....	13,231,580	....	....	1,147,952	182,716
Commerce†	20,834,882	10,966,966	29,896,789	21,172,943	172,237,448	17,936,846	8,029,107	31,228,744	3,146,247
Royal‡	1,836,215	11,798,160	31,242,684	34,095,436	[illegible]20,482,952	98,176,063	542,411	10,753,821	4,026,218
Dominion	5,418,086	2,309,498	7,814,698	2,831,461	50,052,846	331,956	....	2,107,742	408,345
Nationale§	13,709,876	3,572,677	5,548,835	....	42,677,755	54,573	4,638,308	10,139,015	310,071
Imperial	5,793,879	131,681	5,769,129	....	56,330,617	....	4,735,323	8,599,606	416,815
Barclays (Canada)	178,675	30,850	353,300	....	1,281,422	....	....	....	14,343
Total	146,497,409	49,959,940	103,698,207	86,185,938	878,748,673	136,339,485	23,242,615	110,147,586	13,608,019

NAME OF BANK	Real estate other than premises $	Mortgages on real estate $	Bank Premises $	Letters of Credit $	Deposit for note circulation $	In central gold reserves* $	Shares of and loans to controlled companies $	Other assets $	Total assets $
Montreal*	509,093	1,189,160	14,500,000	6,531,162	1,589,618	2,000,000	62,029	371,324	730,599,3[illegible]
Nova Scotia	....	106,306	7,753,195	5,884,764	531,194	1,250,000	2,731,424	88,252	264,102,5[illegible]
Toronto	....	42,546	3,635,616	1,056,237	315,801	630,866	....	....	110,255,7[illegible]
Provinciale	592,013	279,397	2,137,992	53,067	193,400	....	....	146,325	44,839,[illegible]
Commerce†	2,550,122	2,617,843	14,864,505	14,531,328	1,350,000	4,000,000	4,093,220	417,654	541,366,[illegible]
Royal‡	2,484,238	876,496	17,009,710	20,165,071	1,500,000	3,000,000	6,204,600	435,830	686,550,[illegible]
Dominion	33,141	21,707	5,929,370	1,995,505	304,550	400,000	....	140,228	114,631,9[illegible]
Nationale§	1,187,151	615,514	6,085,077	456,190	358,611	1,200,000	....	62,763	122,946,76[illegible]
Imperial	175,341	419,774	6,001,969	495,681	446,739	2,100,866	....	146,941	128,363,90[illegible]
Barclays (Canada)	....	....	450,000	38,841	14,795	....	....	....	10,125,43[illegible]
Total	7,534,199	6,270,743	78,367,434	51,207,846	6,506,708	14,581,732	13,091,273	1,809,422	2,743,867,91[illegible]

*Of this deposit $5,181,732 is in gold coin; the balance is in Dominion notes.
*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.
†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.
‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.
§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Companies Act Reforms Are Urgently Needed

Ten Deputy Ministers Could Secure Common Action—Changes Suggested in Post Articles for Three Years to Protect Shareholder and Creditor Are Here Summarized

For three years back The Financial Post has given increasing space to articles on the need of company law reform written by members of its staff, by professors passing their lives in the study of economics, finance, commerce or accountancy and by investment bankers and lawyers whose actual livelihood brings them into daily touch with the working of Companies Acts passed by Dominion parliaments and nine provincial legislatures. It appeared likely that all these legislative bodies were coming into accord on part at least of suggested programmes but a Quebec dispatch shows Quebecers unable to agree with proposed Dominion Companies Act reforms.

Writers in The Financial Post have all agreed that there is room for reform, they have stated point by point where the law and its administration need tightening up and Governments have had ample time to prepare the needed legislation. Stung by losses in the last boom period, the general public is not in a humor to accept palliatives or excuses in place of action and this mood has been sharpened by the almost revolutionary advances made in the United States in the direction of rigid regulations under Federal control of the machinery for granting companies power to issue securities for permitting investment bankers to dispose of the issues to the investors and of security markets where transactions determine prices.

Strait Jacket in U. S.

While the most common vocal complaint in the United States recently has been that the new laws go so far in establishing federal control as to put a strait-jacket on all expansion of commerce and industry, critics of the Canadian laws and machinery for maintaining justice and fairplay in the financial realm are nearly a unit in declaring that much more should be done in Canada in defense of the creditor and the investor.

It is agreed that no laws can protect shareholders and investors and creditors against losses but they can all be given a greater chance if laws insist on full and specified information in prospectuses, security selling circulars, annual financial statements, and in reports of auditors. Some of the main conclusions can be stated in six paragraphs.

Deputies Could Turn Trick

First, differing company laws enacted by Dominion and provinces and conflicting jurisdictions give the clever crook ample opportunity to avoid strict supervision. Some writers claim that loopholes will always exist until Dominion and provinces compose their differences and agree on a single Dominion law by the Federal parliament, or a single administration under ten company laws modelled on a company act. F. W. Wegenast, K.C., concluded a series of articles in The Financial Post on this vexed subject of companies act reform by stating that common ground could easily be found if the ten Canadian Governments would empower the ten deputy ministers who have been in charge of administration of the companies acts with instructions and power to come to conclusions for adequate changes on accepted principles and a common workable administration designed to serve the public interest first.

Second, issues of bonds, debentures, preferred and common stocks should be made only if full information is available to every purchaser as to how much of his money will go into the company's coffers, as to the interest of every director, investment banker or promoter at any point in the transaction, and the financial statement of actual assets, liabilities and earnings year by year for several years back. Responsibility for statements made should be pinned down to the executive officers, the accountants and the investment bankers.

Should Set Out Information

Third, that company laws should specify the kind of information which shareholders and bondholders should be given in financial statements so that there will be a clear understanding of what fixed and current assets and liabilities are, how valuations are come by, the separate sources respectively of gross and net earnings from operation and from capital gains or investments. The act should be so clear on this that auditors would have their hands strengthened in seeing to it that annual reports really convey information they should. They should get into the hands of shareholders 10 days before annual meetings.

Protecting Surplus

Fourth, that sections 98 and 110 of the Dominion Companies Act and any similar legislation in provincial acts should be amended to provide that dividends shall not be paid out of surplus created by revaluation of assets. It is probable that the insistent demand would die down from certain influential quarters that the right to issue no par value common stock should be done away with if these amendments were made that balance sheets cannot be altered by transferring capital surplus to earned surplus. Ontario section of Investment Bankers' Association suggests here that the power to create surplus distributable as dividends on no par value shares should be limited to the time that such shares are issued. These amendments would be for the protection of the creditor lest assets be dissipated against his interest.

Separate Statements Wanted

Fifth, that holding companies give not only consolidated statements but separate statements for each subsidiary company except in the case of investment trusts, which many feel should be put under similar supervision as insurance, trust and loan companies It is argued by some that mergers, reorganizations and purchases of important assets should only be permitted after inspection by a public official whose consent would only be given if he judged that the proposals were in interest of companies.

Sixth, that auditors have laid down for them the lines along which their investigations must run and the report be given. This would entail more expense for many companies which have preferred in the past to ask auditors for a partial report.

Want English Act Amendments

Suggestions that 1928 and 1929 amendments to the English Companies Act of 1908 should be introduced into the Dominion and provincial acts have come from important quarters. These include: rigid provisions as to issuance of prospectuses; information as to personal interest of those engaged in forming a company; shares by officers and directors; amount of issue required by company and part of proceeds that will come to it; receipts from the issue by vendors of assets, purchased amounts paid for properties and to whom; availability of material contracts; interests of directors or officers in purchasing of property by the company; three years auditors' reports and past dividend history; and qualifications and remuneration of investors.

If Courts Would Enquire

Some further suggestions by Mr. Wegenast are worthy of study. He says that even under present laws substantial advance would be made if courts would enquire into the adequacy of the consideration which directors have chosen to accept for the company's stock. This disposition on the part of courts has been, he says, a sort of Magna Charta of promoters to help themselves to any amount of a company's stock, small or large, for any consideration other than actual cash, however small. Courts will not look into such adequacy "unless the transaction is impeached" and in any case Canadian courts have shown themselves reluctant. The replacing of many par value stocks by no par value aided the process. Mr. Wegenast believes that this court reluctance, not shared in the United States, could be overcome in Canada by "a little legislative persistence." If it were enacted that the court should enquire into the adequacy of the consideration given for any stock, when any question was raised as to its having been paid up, the ground would be cut from under the predatory promoter's feet.

Control by Watered Stock

Mr. Wegenast suggests also that legislators should study whether or not it was a good thing to allow company promoters to sell non-voting preferred and other securities and hold control with a comparatively valueless voting security, in other words, with watered stock. He also suggested that an audit clearing house would be valuable in seeing to it that reports of auditors were adequate because continuously adequate reports would go a long way to curing many of the evils of the boom era. Adequate information at all stages was one of the great things aimed at by the law.

C. A. Ashley, assistant professor of accounting at the University of Toronto, also feels that many audit reports are useless, and that Canadians do not know where they are in connection with many large combines and holding companies. Greatest care is needed at all stages of large companies of this character because, by reason of the complicated structure, the gravest manipulation by directors can take place both at formation and during its operation. Auditors should be obliged to state definitely and concisely any qualifications they may have to their reports.

In an article in the February issue of The Counsel Club Prof. Ashley says that the acts should be amended to require the auditors' report itself to appear on all balance sheets and not a simple reference to it. These reports should be required to state, for instance, in what way the balance sheet fails to exhibit a true view of the company's affairs. If he has doubts he should state them in a report. His objection to no par value stock provisions in the acts now is that there is no provision for a reasonable payment for shares. Friends of directors might receive them at special prices; and even if sale is honest they may be issued at different prices at different times to the disadvantage of existing shareholders. He thinks the difficulty could be met by making it compulsory to offer all new issues of no par value stock to existing shareholders in proportion to their holdings. If this cannot be done he thinks that nothing short of total abolition of no par privilege would be effective.

The powers of directors should be carefully redefined so that it would not be possible for a board to sell the main assets of a company without the consent or knowledge of shareholders.

Enquiries

Can. Rail & Harbour Term.

A number of my clients hold bonds of Canadian Rail & Harbor Terminals, Ltd. Some of them are widows who will be hard hit if these should prove unsafe as to principal. I understand that the committee intends to wipe out the general mortgage bonds entirely and this seems unfair since interest on this issue has not been paid for several years while first mortgage interest has been paid regularly. Do you know whether the general mortgage bondholders are taking any action? What is the position of the first mortgage and general mortgage bonds?

Canadian Rail & Harbour Terminals, Ltd., owns an eight-story terminal warehouse on the Toronto waterfront with a total water frontage of 2,200 ft. on three sides. The building is owned and the site is under a 999 year lease. The building contains 1,000,000 sq. ft. of floor space, of which about 225,000 sq. ft. is devoted to cold storage, while there is also an artificial ice plant with a capacity of 75,000 tons per day.

Building and equipment, less depreciation, are carried in the balance sheet at $3,317,113 and land in fee and docks leased are carried at $2,064,578. The company has a capitalization that is entirely out of proportion to the value of fixed assets and present earning power of the company. There is a 6½ per cent first mortgage bond issue, of which $3,500,000 is outstanding, a 7 per cent general mortgage issue to the amount of $2,000,000, and an issue of 7 per cent debentures, of which $305,000 is outstanding. In addition to these principal amounts there is interest overdue and accrued on the two junior securities which brings the total funded debt up to $6,297,158.

Since the company started operation in 1928, it has never been able to earn its financial charges and depreciation. The interest on the general mortgage bonds was passed on June 1, 1931, and interest on the 7 per cent debentures was passed Sept. 1, 1931. In the year ended December 31, 1933, the company had an operating profit of $156,188 and financial charges and depreciation for the year amounted to $483,874 of which $227,500 was interest on the first mortgage bonds. Total deficit at the end of 1933 was $1,769,829, which was $220,629 more than the book value of preferred and common stock.

The company has a working capital of some $146,000 and has cash in bank of $211,882. Building is modern and site is well located and it is probable that, given some relief from fixed charges, the company can continue its operations. Earnings can be expected to follow the trend of general business conditions and improvement in business was noticeable in the latter half of 1933, although earnings were still under the 1932 level. We believe that the management has been sound and that the heavy capitalization of the company, combined with lack of available business, have been responsible for the present situation.

The protective committee for the first mortgage bondholders has drawn up no plan of reorganization as yet. When such a plan is drawn it will probably provide for a scaling down of interest charges. The outlook for the 7 per cent general mortgage bonds is not bright and it will probably be several years at the least before investors in this issue will receive any return whatever on their investment. It would appear likely that holders of the general mortgage bonds would be offered stock in exchange for their present holdings but that their present position with relation to the first mortgage bondholders would be maintained.

The general mortgage bondholders formed a committee in June, 1931, and your client might like to write to B. B. Burton, 63 Wall St., New York City, for information as to what this committee proposes to do. It has been inactive since formed and may be out of existence at the present time. Montreal Trust Co., Toronto, is the trustee for the general mortgage bond issue. We cannot give the present appraised value of the warehouse, but the first mortgage bonds would seem to be well secured by assets.

Can. General Investments

Would you consider shares of Canadian General Investments Ltd. a reasonable investment at present prices? I am considering this stock as a more or less permanent investment for income in the future.

In the year ended December 31, 1933, Canadian General Investments Limited earned 37 cents per share on the 612,336 shares outstanding, the company following a policy of paying dividends only up to the amount of net income. In 1932, the company earned 44 cents a share and paid 45 cents in dividends. Income of the trust depends entirely upon revenue derived from interest payments and dividends paid on securities in its portfolio and some lag can be expected between the improvement in business of the companies represented in the portfolio and resumption by them of dividend payments. From the totals of dividends paid by Canadian corporations in recent months, it would appear that there was a tendency toward resumption of dividends.

Canadian General Investments, Ltd., has sustained heavy losses on securities held during the past four years, but we believe that the activities of the management in the past year and a half have resulted in a strengthening of the investment portfolio and that securities are now shown at their true liquidating value. The market value of securities as at December 31, 1933, is stated at $4,691,680 and after including cash and accrued interest in dividends and deducting bank loan of $390,000 and accounts and dividends payable, the equity of the 612,336 shares allotted was $7.01 as compared with a liquidating value of $5.65 at December 31, 1932. In January the market value of securities held increased by $600,000, bringing liquidating value of shares up to $8.

The portfolio of the company includes some 282 securities, the majority of which can be expected to fluctuate in price according to the trend in the security market. There are other securities, however, that have very little market, but we believe in the majority of such cases the value has been written down materially. We believe the management of the portfolio to be in able hands at the present time.

Approximate market value of the shares is $5.50 to $5.85, somewhat under the liquidating value, but the market for the shares is somewhat restricted since the shares are not listed on a stock exchange. There is a possibility that this may be done at some time in the future, but until that time a purchaser of the shares would have to be content with a certain degree of lack of marketability for his investment.

Buy Canadian

The consensus among financial men is that there will be a further improvement during the current year. From the investor's standpoint, do you think the purchase of Canadian securities is preferable to American at this time, or would you recommend some of each?

I have been a reader of your paper for a period of over 20 years and have confidence in your information in regard to investments.

Generally speaking, for a Canadian who intends to continue living in Canada, the purchase of Canadian securities over a long term is the best thing. He thereby eliminates taking speculative chances on changes in exchange rates between the two countries, Canada and the United States.

Brazilian

Do you think Brazilian common stock would be a good investment for me now?

The position of Brazilian Traction in Brazil is a somewhat complex one for shareholders. The company has been doing well from the operative standpoint over the greatest part of its existence in Brazil but because of the breakdown in dependable exchange of Brazilian money into Canadian money, United States money and sterling, this company has not been able, except at long intervals for a couple of years to secure money to pay dividends which it has earned. It has got the money in Brazil and doubtless has made good use of it.

The situation is very much complicated by the recent ruling of President Vargas abolishing gold contracts, that is, contracts under which, on a sliding scale, this company and some other companies were able to collect the gold value of the services rendered. For example, if the value of the Brazilian milreis were to drop to half what it had been in the gold currencies of the world, the company originally had the right to double its rate so as to make up for that in a number of its services. No official statement as to the number of these services has been made but some estimates have been made that probably half of them issued their bills on this basis. It has brought about the necessity of making out new contracts and arrangements in many communities and its final bearing will not be known for some time. The temporary rates forced on the company by this Vargas ruling have cut its earnings materially in some services. There is provision for getting a decision from an arbitration commission where agreement cannot be secured with communities served. Whatever the final decisions may be it becomes more urgent than ever for the investor that Brazilian exchange should recover.

With the Brazilian trade position improved, as it seems to have some possibility of doing, this might prove far from impossible. Coffee is the main product of Brazil for export and the coffee burning programme of the government is advancing at such a rapid rate that there appears to be a chance that within two years the world supplies will be in line with consumptive requirements. There would then be a strengthening in price in all probability which would help the favorable balance of Brazil and improve the exchange. That is the hope for Brazilian Traction common shareholders.

Shawinigan

Will you be good enough to let me know the current dividend paid by Shawinigan Water and Power Co. and if the company will be able to maintain the rate?

Shawinigan Water and Power Co. appears to have passed through the worst of the depression. The stock is now paying a dividend of 50 cents a share and judging by the last report the company should be able to maintain this rate. Power output last year was the largest ever recorded and prospects are that sales in 1934 will be even larger.

B. C. Packers Common

I am thinking of investing in B. C. Packers common stock, and would like to have your opinion of the position of the company and its possibilities.

B. C. Packers has improved its position somewhat in the last few years in that it has reduced its liabilities considerably. Some years ago, because of too many getting into the business of fishing for salmon, and because of consequent restriction of operations by the Dominion Government in the interests of conservation, this and other companies found it hard to make ends meet. It got into difficulties but it is gradually struggling through them.

There was a pretty fair pack in the last year but so far as sockeye, the most remunerative pack is concerned, the demands of fishermen at the last moment rose to such an extent that it is believed the company has made no money out of it. Apparently it would be well to watch the progress of this company a few more years to see how the political situation and the competitive situation work out. The preferred position given in the British market should continue to be helpful to the company.

Power Corp.

I have been told that the common stock of Power Corp. of Canada is going to move up in value. Can you let me have some information on this company?

Common stock of Power Corp. of Canada, according to the last annual statement, has no equity back of it nor is there any earning power. An interim report covering the six months ended last December 31, shows that revenues were barely sufficient to cover the preferred stock dividend. Several of the companies associated with Power Corp. are experiencing difficulties. While the market value of the company's investment portfolio is likely to have been favorably affected in recent months, what improvement has taken place still leaves the common stock a long ways from the point of having an equity or earning power back of it.

Alcohol Stocks

I would appreciate having your opinion on the outlook for the alcohol securities, particularly Distillers-Seagram stock.

It is very difficult to provide informative opinion about the alcohol stocks. Conditions in this line of business change overnight. At the same time, the fact must be recognized that the prosperity of the Canadian alcohol companies is bound up with the regulations adopted by the States and the United States Federal Treasury Department. Undoubtedly, Distillers-Seagram and the other companies in this country will benefit from having large stocks of matured alcohol. When the American companies are able to put their own stocks on the market, this advantage will disappear. Both Distillers and Hiram Walkers recognize this fact and have established plants in the United States. Prior to the advent of domestic stocks on the market, the Canadian, British and other foreign distilleries will have the market to themselves. This will give them an opportunity of liquidating their huge stocks of alcohol which they have built up over a number of years in anticipation of a change in the American legislation. For the next two or three years it is reasonable to expect that the companies will show large profits due to the liquidation of inventories. This will be an abnormal period and should be recognized as such.

Industrial Alcohol

I hold a small block of 250 shares of Canadian Industrial Alcohol. Under the capital reorganization, this stock has been split up. My brokers tell me that I will receive a certain number of shares, which does not seem to agree with the statement issued by the company. What new stocks are being issued, and how many will I receive on my holdings?

Under the plan of capital reorganization Canadian Industrial Alcohol Co. will exchange the present shares for a similar number of "A" and "B" shares. In other words, for each share now held, the holder will receive one half share of "A" and one half share of "B" stock. The "A" shares will be non-voting, entitled to a dividend not exceeding $1.50 per annum (non-cumulative), and purchasable in the open market or callable at $24 a share. The "B" stock will be voting and non-callable.

On the exchange of 250 shares, the holder would receive 125 of the redeemable shares, and a similar number of the voting and non-redeemable shares.

United Corp.

Would you be good enough to let me have a report on United Corp.? I understand this is the old Consolidated Investment Corp. I would like particularly to know details regarding earnings and prospects.

The financial statement of United Corporation for 1933 showed both an improvement in earning power and in the market value of the company's investments.

Reorganization of the old Consolidated Investment placed United Corporation (the new company) in a relatively strong position. The value of investments held was written down to market value, deadwood was cleared away and the company placed in a position to take advantage of any upward move in market values. The results since that time have come up to expectations and the outlook for the company now depends, of course, upon a continued upward movement in security values.

Bathurst

It will be appreciated if you will let me have an opinion on the stock of Bathurst Power and Paper Co.

Great stress has been laid upon the working capital position of Bathurst Power and Paper Co. While it is true that there is a substantial equity back of the stock and that net liquid current assets are equal to $4 or $5 a share, it should not be forgotten that this company has never been able to demonstrate its ability to earn money. With its present productive facilities, this company cannot earn very much on its capital stock, even under the most favorable circumstances. There is likely to be speculative interest in the stock, but this does not detract from the fact that until the company provides for a greater exploitation of its resources, it cannot earn very much for the shareholders.

Canada Steamers

How do you regard the preferred stock of Canada Steamship Lines? I notice that this issue is selling at a low price and thought that it might offer possibilities for capital appreciation.

Canada Steamship Lines preferred stock is a speculative issue. As you may know, the company has deferred dividends on this issue, as well as interest on the general mortgage bond. A bondholders' committee is now investigating affairs of the company with the view to drawing up a plan of reorganization to place the company on a sounder footing. While it is not expected that this committee's work will be completed for a little while, expectations are that the general mortgage bondholders will be asked to make further concessions. In this event it is to be expected that the holders of the preferred stock will have to bear their share of the burden of the efforts made to re-establish the company.

Urges Trade With Russia

Editor, The Financial Post:

My frequent opportunities to discuss with the business men of our country the question of trade between Canada and the Soviet Union bares in most instances an almost appalling ignorance of actual facts.

From the time the Russian Empire became the Union of Soviet Socialist Republics up to March 31, 1933, her total purchases in foreign countries amounted to four and a quarter billion dollars.

During the two years the Soviet Government had a Trade Delegation in Canada and the relations between the two countries diplomatically and commercially were fairly normal, Canadian exports to Russia amounted to $6,159,472 with excellent prospects of considerable increase from year to year.

To this should be added, as net gains to Canada, monies spent by the Soviet government during that time on transportation, insurance, rentals, salaries paid to the staffs of their Canadian organization, etc., representing quite a tidy little sum.

Our Exports Drop Off

During 1933, from January to September, Canada, occupying fifth place among exporting nations, sold to Russia some $385,000 worth of products and goods. During the same period of 1932, our sales to Russia amounted to about one million dollars.

These figures prove that, although Russia is becoming every year a larger and larger absorbing market both in volume and range of exports, unless there are normal diplomatic and trade relations on the part of a country wishing to do business with the Soviet Union, no satisfactory and increasing volume can be built up.

Canada, of all the countries, has the most inconsistent record in the matter of trade with the Soviet Union.

We were the first country, and for a long time the only country, with the good sense to send an Economic Commission to the Asiatic portion of the Soviet Union, to investigate the economic conditions there and the commercial possibilities of securing that market for Canadian products and goods; hence the Canadian Economic Commission to Siberia in 1918, sent by the Federal Government of Canada.

Payments Made as Due

During all these years, the Soviet Union met her payments in all instances and in all countries always exactly as and when due, in gold values, as contracted for. It is a record so unique in the history of world commerce that no other country could duplicate it. There was never on the part of the Soviet Union as much as a hint to any of her creditors of making payments at so many cents on a dollar or to make, "token payments," or to pay in "baloney dollars," as even the richest countries were and are doing during the past few years.

While all other countries were working out plans of enlarging their business with Russia, in Canada the Government devised a very effective means of killing the little trade there was with the Soviet Union.

Embargoes on Key Items

We put embargoes on a number of Russian exports to us. Coal was one. Soviet Union shipped to Canada 399,995 tons of anthracite coal valued for customs purposes at $1,483,404 and representing at the time 5.1 per cent of total Canadian coal imports, and 5.7 per cent of its total import value.

To allow the Soviet coal to enter this country, we were told by the Government, was against the best interests of the Canadian people and the British Empire. But was it really so?

On December 12, 1933, Justice Laliberté, in finding certain coal companies guilty under section 498 of the Criminal Code and under the Combines Investigation Act, said: "The sole sources of supply dependable for competition with American anthracite coal were in Wales, Scotland and Russia, and such competition would be secured by prompting importations of coal from these countries."

According to the findings of the most eminent Canadian analytical chemists, Soviet coal gives more heat and less ashes than any other coal of that type imported into Canada.

The caloric value of the Soviet coal was 1,500 B.t.u's higher than American anthracite and 300 B.T.U.'s higher than Welsh anthracite. The ash content was: American 12 per cent; Welsh 5 per cent and Russian 4 per cent.

Oil Virtually Barred

Or take oil. Petroleum and oil products, although not subject to an embargo, cannot get a foothold on this market. Their distribution is controlled by a group of solidly unified Canadian, American and Dutch-English financiers, exercising absolute control over the market and determined, with the aid of governmental authorities, to prevent any competition. An independent distributor, who lost his independence immediately after he was through distributing the first and only shipment of Russian oil to Canada in 1932, as well as those whom he supplied, readily admitted the superior quality of gasoline obtained from the Soviet oil.

The 13,500,000 gallons of Soviet oil, valued for customs purposes at $529,130, were brought in barter for an order of Canadian aluminum.

Since that time the Soviet Union imported, up to June, 1933, about fourteen million dollars of aluminum from other countries, because Soviet coal would not be admitted and Soviet oil could not be sold in Canada, although the importation of both would be in the best interests of Canadian people.

As to asbestos and pulpwood, another two items embargoed by the government, there never was any of either coming to Canada. The former in lower grades is abundant in this country, and the high quality, long staple asbestos, sought by the American and other countries' manufacturers for high class products, is hardly used in this country. Pulpwood was coming at one time in transit to the U. S. A. giving a fair return to the Canadian National Railways for hauling it through this country.

U. S. Seeks Orders

In the United States, where the leader of the nation is seeking the advice of realistic and more advanced economists, there are tangible signs of realization of facts of economic importance and political significance. They have negotiated a trade pact, making possible a large volume of exports from U. S. A. to U. S. S. R. Soviet Union, since the completion of her first Five Year Plan is becoming a larger and larger consuming market.

The American people do not lose sight of the fact that the Soviet Union today is the only country, where the purchasing power of the population is being steadily enhanced throughout the whole country and among all the inhabitants in a fairly uniform fashion, creating a mass purchasing power able to absorb modern mass production of fields and factories, considerably beyond what their domestic production can supply just now and probably for some time to come.

New Five Year Plan

The second Five Year Plan, which began a little over a year ago, is much more stupendous in its aims and expenditures than the first one. At the end of the first Five Year Plan the annual productive capacity of Soviet industry amounted to some 43 billion rubles (one ruble equals approximately 51 cents par), whereas at the end of the second Five Year Plan it should, and barring war it will, amount to 103 billion rubles.

United States bankers and governmental financial institutions, together with the manufacturers and producers are working out the details of expanding, rationalizing and stabilizing trade with the Soviet Union.

There is an opportunity for Canada to obtain a share of the available Soviet business, though Russia trades with forty other countries, maintaining normal diplomatic and trade relations with her.

Our unemployed and partly employed labor, our accumulated capital seeking placement and our manufacturers maintaining partly used machinery and equipment, could benefit from trade with the Soviet Union.

One Large Order

Russia's desire to trade with us was tangibly shown as far back as June, 1921, when one of the first orders placed by the Soviet Union in a foreign country was given to the Canadian Car and Foundry for some three million dollars worth of oil tank cars.

There are also good possibilities for our stock and horse breeders to find a market in the Soviet Union.

These possibilities will be realized if Mr. Bennett and his Government, admitting the reality of Soviet Union's position today in the affairs of the world, and admitting that it is too late in the day to sabotage her by a refusal of diplomatic and trade recognition in hopes that she will have to govern herself as others would want her to, will take the necessary steps to put Canada's relations with the Soviet Union on the same footing as Great Britain, United States, France, Italy and the rest of the forty countries with whom she has normal relations have done.

LOUIS KON.

Montreal,
February 27, 1934.

Our March Booklet "Investments"

Contains a wide range of offerings of government, municipal and corporation issues.

There has been added a table showing the improvement in market prices of certain Canadian corporation bond issues during the past five months, together with the most recently reported earnings of these Corporations.

Copies of this booklet upon request.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

HOLT, RENFREW OPERATING LOSS $90,438 IN 1933

Showing Made Better Than in 1932 — Draw on Reserves

From Our Own Correspondent

MONTREAL.—Reflecting difficult operating conditions, Holt, Renfrew & Co. report a further operating loss for the fiscal year ended January 31, 1934. On the other hand, the loss was, roughly, $51,000 less than in the previous year.

The profit and loss acount for 1934 shows a total deficit of $138,623. This includes the loss on operations, bond interest, with a small amount written off for bond discount and equipment depreciation. No depreciation has been provided against buildings or fixtures.

Total Deficit $136,776

Profit and loss account figures compare as folows:

	1933-34	1932-33	1931-32
	$	$	$
Oper. loss...	90,438	141,621	89,082
Interest ...	43,338	45,490	39,252
Balance ...	d133,776	d187,111	d128,334
Depres. ...	......	22,290	10,203
Balance ...	d133,776	d209,401	d138,537
Contin. res. .	......	......	3,278
Balance ...	d133,776	d209,401	d141,815
Pfd. div. ..	......	70,000	70,000
Balance ...	d133,776	d279,401	d211,815
Bond. disc. w.o.	3,000	......	......
Balance ...	d136,776	d279,401	d211,815
Equip. deprec.	1,847	......	......
Tot. deficit .	138,623	279,401	211,815
Prev. bal. ..	391,034	670,436	882,251
P. & L. bal.	252,411	391,035	670,436

d—Deficit.

Working Capital Position

	1934	1933	1932
	$	$	$
Curr. assets	890,852	1,094,109	1,470,131
Curr. liabs.	25,388	45,106	26,076
Work. cap.	865,464	1,049,003	1,444,065

Reduce Current Liabilities

The balance sheet of Holt, Renfrew and Co. at the end of the 1934 fiscal year showed assets totalling $2,986,941 compared with $3,163,737 at the end of the previous year. The funded debt has been reduced from $444,000 to $421,500. This issue matures in 1937. There is no change in the capital stock, while the balance owing on the Montreal property remains at $202,500. The payment of $100,000 on this account is due April 30, 1936. A bank loan of $20,000, shown in the 1933 report, has been wiped out.

Among assets property account and goodwill show practically no change. Inventories have been reduced from $690,581 to $462,193, while accounts receivable are slightly higher at $228,585.

Better Cash Position

Cash on hand shows a marked improvement, amounting to $79,003 compared with $19,206 a year ago. Investment in the company's own bonds shown at $33,775, represents holdings of $37,509 at par value. In the 1933 report the company had invested in its own bonds $55,035. The current statement shows an additional investment of $28,705, representing investment in and advances to Huron Mfg. Co.

Beauharnois Power Common

We have prepared a circular in which the long-term prospects of this Company are discussed.

A copy will be mailed upon request.

DICKSON, JOLLIFFE & COMPANY
Members Toronto Stock Exchange
Adelaide 7451-2-3-4
80 KING STREET WEST TORONTO

T. C. E. WATT R. W. WILSON E. H. WATT W. L. CHRISTIE F. G. VENABLES G. S. ATKINS, JR.

WATT & WATT
Established 1908
Members:
Toronto Stock Exchange
Winnipeg Grain Exchange
Chicago Board of Trade
New York Curb (Associate)

INDUSTRIAL and MINING STOCKS
BONDS GRAIN
Direct Wires to—Montreal, Winnipeg, New York, Chicago
6 Jordan Street Toronto
ADelaide 3221

Chartered 1864
Savings Deposits
Withdrawable by cheque
Debentures
$100 and over—1 to 5 years
The Huron & Erie
MORTGAGE CORPORATION
Branches — London, Toronto, Hamilton, Windsor, Chatham, St. Thomas, Winnipeg, Regina, Edmonton, Vancouver, Victoria

NEWS FROM

Canada's Capitals

A week-by-week summary from Ottawa and the provincial capitals of legislative developments of interest to business.

Week in Ottawa

OTTAWA, Feb. 26—Commons: —Amendment to Immigration Act moved by J. S. Woodsworth, deleting "public charges" from the list of deportable offences, defeated. Bill moved by E. R. Greary, Cons., Toronto South, incorporating the Small Loans Company of Canada given second reading 87-41. Thomas Reid, Lib., New Westminster, moved a resolution calling for the monetization of silver which was substantially negatived by an amendment moved by Hon. E. N. Rhodes, Minister of Finance. Resolution calling for bilingual money moved by M. J. A. Barrette, Cons., Berthier, talked out.

Feb. 27—Commons: —First reading given bill moved by Thomas Reid providing for reduction in freight rates on grain. Economy measure moved by Hon. C. H. Cahan, secretary of state, providing that various departmental translators be assembled in one bureau, debated but no progress made.

Senate:—First reading given bills dealing with the Intoxicating Liquor Act, National Railways auditors and with Fisheries. Debate on second reading of Sweepstakes bill continued. Second reading given to Precious Metals Marking Act.

Stevens' Committee: — Evidence taken respecting enforcement of minimum wage law in Ontario. Richard Stapells, chairman of the Board and A. W. Laver, Commissioner of Public Welfare Toronto, witnesses.

Feb. 28—Commons: — Resolution declaring that Peace River railway outlet (moved by Donald Kennedy U.F.A., Peace River) be constructed, "when circumstances permit," approved. Resolution calling for recapitalization (A. E. Munn, Lib./Vancouver North) talked out.

Senate: — Second reading given Fisheries bill and bill confirming agreement between Dominion Government and City of Ottawa.

Stevens' committee: — Evidence taken regarding hours of labor and wages in Quebec. Gustav Francq, chairman of Women's Minimum Wage Board, of Quebec, witness. H. M. Cassidy, professor of Social Science at University of Toronto, gave evidence regarding working conditions in Central Canada.

March 1 — Commons: — Revised Bank Act given second reading. First reading given to bill reorganizing the R.C.M.P. Supply items for the National Revenue Department considered.

Senate:—Third reading given Fisheries bill, the bill confirming the agreement between the Dominion Government and the City of Ottawa, and the Canadian National Railways Auditors bill. Hudson Bay route discussed.

Stevens' committee: — Thomas Moore, president of the Trade and Labor Congress, gave evidence suggesting national codes for Canada along the lines of the N. R. A. Mayor D. J. Kerr, of Stratford, told of labor conditions in his city.

March 2—Commons:—Supply items voted for various departments.

Stevens' committee:—J. J. Frawley, K.C., of Edmonton, gave evidence regarding milk control policies in Alberta.

Alberta

EDMONTON, Feb. 23—Adoption for voluntary debt settlement plan urged in throne speech debate. Moving of settlers from southern drouth areas suggested.

Feb. 26 — Conservative non-confidence motion defeated 34-17. Liberal amendment to throne speech continued.

Feb. 28—Provincial revenue for nine months ended Dec. 31, 1933, given to $10,433,233, a decrease of $1,100,000 from similar period of 1932; expenditure $12,428,000, down $411,000. Hon. George Hoadley told house that prairie provinces have decided to petition federal government to reduce freight charges on coarse grains and subsidize production of coarse grains on summer fallow land. Throne speech debate ends.

March 1—Resolution calling for inquiry into Douglas system of social credit adopted. Major Douglas is in New Zealand—will appear before committee for fee of $1,250.

British Columbia

VICTORIA, Feb. 22—Announced that minimum wage legislation having provision for all kinds of workers would be introduced. Standing committees named.

Feb. 23—Announced that plans were under way to call in all government debt, regardless of maturity date, and refund at lower rates.

Feb. 24—First reading given to Minimum Wage Act. Would set up board of five, chairman being deputy minister of labor. Farm laborers and domestic servants only workers excepted.

Feb. 27—First division of session—on question of reviving Columbia riding—won by government 30 to 12. Two Liberals took advantage of new party ruling and voted against government.

Feb. 28—Private bills committee considered plans for a toll bridge at New Westminster. Plans tabled by Fraser River Bridge Co.

Manitoba

WINNIPEG, Feb. 26 — Premier Bracken, replying to a question asked by W. Sanford Evans, stated that no agreement had been entered into by prairie premiers to restrict wheat production.

Feb. 27—Provincial estimates tabled. Estimated expenditure placed at $13,565,973 as compared with $14,537,023 voted last session. Chief savings made in department of education and on exchange.

Mar. 1—Bill calling for revision and consolidation of tax collection laws passed committee, ready for third reading. Combined action of western provinces to raise farm prices urged by group before agricultural committee. Announced that Bracken government would probably sponsor minimum wage law for men.

Mar. 2—Budget presented. Programme calls for balanced budget on current account. Estimated receipts $13,596,989. No new taxes will be imposed or any changes made in existing taxes. Two per cent wage tax will remain.

Ontario

TORONTO, Feb. 28—Amendment to Highway Traffic Act introduced by Mr. Macaulay. Chief changes designed to bring act in line with those in force in other provinces and U.S.A. in regard to lights; force stronger attachment of trailers; to increase allowable gross weight of public vehicles; to allow latitude in enforcement of law providing for half loads during spring months.

Mar. 1—Public accounts for year to Oct. 31, 1933, presented; features were a cut of $5,300,000 in ordinary and $9,000,000 in capital expenditure. Operating surplus of $215,000 forecast by Premier Henry for current fiscal year. Revenue $51,373,000, expenditure $50,897,000.

Mar. 2—Number of bills to amend the municipal act given first reading. Questions and answers.

Mar. 5—Second reading of the bill to create the Milk Control Act featured by attack from Liberals. Macaulay's amendment to Highway Traffic Act read a second time.

Saskatchewan

REGINA, Feb. 23—Resolution calling for debate on proposal to merge three prairie parliaments in economy move, placed on order paper. Hon. M. A. MacPherson promised full discussion on London Wheat Agreement.

Feb. 26—Throne speech adopted. Announced that legislation to implement London Wheat Agreement was being prepared.

Feb. 27—Motion aiming at suspension of position of lieutenant-governor defeated. Motion to merge prairie parliaments introduced and debated.

Feb. 28—Resolution urging extension of federal meterological and forestry services as a necessary preliminary to a long-range programme of reforestation adopted.

Mar. 1—Liberal amendment to motion urging amalgamation of prairie legislatures adopted. Amendment calls for study of situation by representatives of each government.

Burns Co. Earned $434,000 in 1933 Bank Loan Repaid

Burns & Co. is expected to show an operating profit of approximately $434,000 before depreciation for 1933 according to A. E. Pequegnat, chairman of the bondholders' committee in a report on the progress made by the company given at the meeting of bondholders held March 6 to consider the proposed plan of reorganization. After provision for depreciation this would leave approximately $134,000 available for interest requirements of $10,000 in 1934.

The company paid off all bank loans in October, 1933, and has a good working capital position.

Bonds to the amount of $3,716,000 were represented at the meeting of which all but $3,200 were voted in favor of the plan of reorganization. Since the requisite 60 per cent of all bonds outstanding was not represented the meeting was adjourned until March 29 at which time acceptance of the plan will follow a majority vote in favor. Preferred shareholders will meet on March 12 in Calgary.

In 1932 the company had net earnings of $96,473 before depreciation. Sales of the company increased 10 per cent in 1933 over the 1932 level but remained less than half the volume of sales handled in 1928.

MONTREAL BODIES WANT COMMISSION TO SUPERVISE CITY

Montreal Said to Need Modern System of Financing

City of Montreal's financial difficulties are getting a thorough airing. Representatives of 27 civic bodies, including Board of Trade, Chambre de Commerce, and others, have voted to ask the province to appoint a commission to take charge of the city's affairs for one year. The city's bankers, Bank of Montreal and Banque Canadienne Nationale, have informed the council that the anticipated revenue deficit of $6,731,291 for 1934-35 must be eliminated by March 15.

Meantime, elections are set for April 9, and the council has not appeared anxious to comply with the banker's suggestions.

In financial quarters, it is suggested that the main thing wrong with Montreal is its management. It is claimed that a commission could put affairs right in a comparatively short time. But for the longer run, it is contended that the city needs to revise its internal system of financial administration.

Montreal was under commission rule from 1918 to 1921 with beneficial financial results. The city's two years of freedom from the strict rule of the Quebec municipal Commission expires May 1, so that the province could take over Montreal's affairs at that time.

Methods Out of Date

As an instance of out of date methods of administration, it is cited that the city is apparently uncertain as to how its sinking fund should be apportioned among the various self-sustaining utilities. The total debt at Oct. 31, 1933, was $251,120,694.

Montreal's tax collection system is also claimed to be out-dated. It provides for payment of the business and water taxes on Sept. 1, and the land tax on Oct. 1. This gives the city a larger than necessary total of tax arrears at the end of the calendar year, although the fiscal year ends April 30. It is claimed that tax arrears include amounts due on properties which should have been sold some time ago. Also there is no system of bonusing payments and penalties are not arranged in the modern graduated manner.

If these technical matters were set right, and if the city were to levy an income tax if necessary, and otherwise improve the order of its internal affairs, it is believed that it could rectify its position in comparatively short order.

C. & E. Income Up During January

Production and royalties from producing wells of the Calgary & Edmonton Corp. in January amounted to 31,107 barrels and $14,034 respectively as compared with 19,190 barrels and $8,227 in the same month of 1933.

For the seven months ended January 31, 1934, production amounted to 171,461 barrels from the company's property on which royalties amounting to $77,138 were paid. This compares with royalties of $57,420 in the seven months ended January 31, 1933. The drilling of the company's Longview No. 1 well by the Imperial Oil in the southern end of the Turner Valley had reached a depth of 4,646 ft. on February 23.

Gyro Meets in Calgary

The International Gyro convention for 1934 is to be held in Calgary, during the second week in July, coincident with the holding of Calgary's famous stampede.

Wheat

From Our Grain Correspondent

Export Business Fair

WINNIPEG—Extreme dullness in the wheat market has succeeded a week of fair activities, during which prices managed to make and sustain a moderate advance, as a result of a fair amount of export business. North American shipments last week formed nearly half of the total world shipments, which were just under eight and a half millions, the lowest for the current year. The great decrease from a year ago was in Australian shipments, which is a reflection of the fact that Chinese demand is poor, so that shipments to non-European countries have been declining as much as shipments to Europe.

* * *

U. S. News Bearish

PRIVATE crop estimates issued in the United States with respect to winter wheat production were construed as bearish there, for although they indicate a crop much below average, it is likely to exceed that of last year by considerably over a hundred million bushels. A fair production of spring wheat might give the United States a surplus over domestic needs for a year, thus offsetting some of the effect of the very considerable inroads on the carryover which are being made this year. That is offset by a growing opinion that wheat stocks of the country have been somewhat over-estimated, and a continued demonstration of the ability of the United States to sustain for a long period prices far in advance of world prices, without the existing surplus being forced into export channels.

The continued shrinkage in the visible supplies of wheat in the United States would be taken as a strengthening market factor, but investment interest at Chicago is at a low ebb, as traders try to figure out the probable effects of various government policies and changes that may take place.

* * *

Vancouver Disappointed

BUSINESS out of Vancouver is still very disappointing to the trade there. The winter period during which it was hoped that a substantial pick-up in exports might take place is rapidly passing, and the opening of navigation on the eastern route is getting close enough to make substantial comparative improvement unlikely. Already fair bookings are taking place of grain to be moved down the lakes at the opening of navigation. All grades of wheat at Vancouver with the exception of No. 1 hard are making a poor showing as compared with Winnipeg prices.

* * *

France Has Large Surplus

REPORTS from France indicate that the wheat surplus situation in that country is worse than it was a year ago and that indications are that little wheat will again be imported this year. It is estimated that the surplus will be between 50,000,000 and 70,000,000 bushels before the 1934 crop is harvested. Even if the crop is a particularly poor one, France will have more than enough for her domestic needs of about 87,000,000 bushels.

* * *

N. Z. Crop Estimate

HOPES that New Zealand would import some wheat this year have faded somewhat, following the first official estimate of 1933 production. Although the total of 8,258,000 bushels estimated will hardly meet domestic requirements, there is some carry-over from the record 1932 crop of 11,055,000 bushels. The wheat crop of New Zealand has exceeded the usual domestic requirements only three times since 1920. In 1921, an outturn of 10,565,000 bushels was reported; 9,541,000 bushels were produced in 1927; and in 1932 the record post-war harvest of 11,055,000 bushels was attained.

* * *

Rationalization Takes Bumps

CANADIAN flour millers who have thought seriously in the last six months of the possibilities of rationalization in Canada, cannot be indifferent to reports of dissension among the leaders of the Millers Mutual Association, which was organized to control the operating of English mills under a rationalization scheme. This results from the fact that the Irish Free State trade is now a thing of the past and therefore the ratio arranged for various mills, when rationalization was first introduced no longer applies. Liverpool and northwestern mills, which looked after this Irish Free State trade mainly, have found their total output down by one million sacks. As this Irish Free State trade meant 60 per cent of the total export of English mills, its loss reacts back on the whole industry materially.

Hon. Harry H. Stevens, Minister of Trade and Commerce, gave ample proof at Ottawa that the exceedingly high tariff walls of European countries had shut out Canadian flour and wheat from France, Germany, Italy and other countries. The farmers of these countries have enjoyed good prices and quota regulations and only under such conditions could they have competed in their own domestic markets against Canadian grain and flour. The new situation shows that, in the sequel, European policy threatens Canada in other markets because each government finds surpluses of grain a deadly weapon against its internal policy and therefore is anxious to get rid of unwieldy surpluses at any cost possible. The hope among millers and wheat growers is that restriction policies agreed upon will be successful in these European countries.

If the British Government were to take protective action against flour that is aided by bounties it would not be of much benefit to Canadian millers unless the same action were taken against wheat aided by bounties.

Grain and Milling in Canada

ALBERTA OPINION LEANS TO BONUS FOR WHEAT CUT

No Hint Yet of Action by Government on Quota Plan

From Our Own Correspondent

EDMONTON.—No hint has yet been given by the Brownlee Government as to whether or not it expects to introduce legislation to control wheat deliveries by farmers, such as is stated to be in process of drafting at Regina.

Hon. Geo. Hoadley, Minister of Agriculture, stated the other day that the Government would endeavor to persuade farmers to grow proportionately more coarse grains and less wheat, and that the prairie Governments intended to petition the Dominion Government to bonus seeding of coarse grains on summer fallowed land, which is usually, in all three provinces, allotted to wheat production. Although in the other provinces little appears to have been said as to the right of farmers to receive compensation from the Government for cutting down wheat production, the idea appears to be fairly widespread in Alberta that something of the kind might be obtained.

Little Desire to Help

Members of the legislature here appear to think that refusal of the Dominion Government either to furnish such compensation or to appoint a wheat board, which Premier Brownlee has been advocating, will furnish a sufficiently good excuse for declining to go in for any scheme of farm quota on deliveries of wheat.

There is little indication of desire to help out Mr. Bennett in attempting to popularize the London wheat agreement. Although relations between Mr. Bennett and Mr. Brownlee are understood to have been exceptionally friendly it is standard doctrine with the U. F. A. members who constitute the majority of the legislature that both the 'old parties" are likely to be wrong, and their political position in the province depends largely upon maintaining this position.

Bullish Factors In Wheat Market More Numerous

Reports of poor condition of European crops combined with the reduction of wheat acreage in this area that has already been recorded are the chief factors in the current situation tending to raise wheat prices, according to the current monthly survey made by the Searle Grain Co. The United States return to a modified gold standard is also mentioned as a definitely important bullish factor.

On the other hand, rain and snow in the U. S. A. wheat belt, a substantial increase in Russian acreage and the feared federal control of grain exchanges in the United States are mentioned as outstanding bearish factors.

The review notes that the world's visible supply of wheat has been cut by 66 million bushels but does not mention the hoped for increase in consumption due to generally better world business conditions. This latter factor is generally considered to be an important one in tending to reduce surplus and raise prices.

PLANS FAVOR NINE MEMBERS DAIRY BOARD

Executives Claim Regulation Needed to Smooth Out Disparities

Large milk concerns in which the public has a considerable interest apparently fear no further ill effects on securities as a result of the bill now before the Ontario Legislature to establish a milk control board for Ontario. In fact, they expect the effect to be favorable in so far as the new board succeeds in bringing some order into marketing conditions in the industry.

One of the stickers in forming a board satisfactory to all elements will be the difficulty of arranging for a personnel that will recognize the claims of all sections. There are various milk sheds in Ontario, and it is desired that every milk shed shall feel that its particular problems are understood and studied by the board.

Changed Details

The actual details of dairy board representation intended have changed several times since the bill was first designed and may still change to ensure adequate representation. The aim has been to have equal representation of distributors and producers with a chairman appointed by the Government and charged with representing consumers' interests and also with trying to reconcile any dispute between the others. At first a board of three members had been thought of but this, it was soon found, would have led to accusations of unfairness from sections not represented.

Board of Nine Favored

In the end various conferences resulted in a report that conflicting sectional claims could only be met and adjusted by a board having four members representing distributors and four representing producers, with the Government appointing the chairman. The bill itself is vague on the point and provides for "one or more members," which leaves lots of latitude.

The Ontario Milk Producers Association is a powerful body, but it has a number of subsidiary and affiliated bodies covering the Toronto, Hamilton, Ottawa and other milk sheds in Ontario. It has kept in close touch with the Minister of Agriculture it is understood, and therefore the completed bill is expected to represent views received from all over the province.

Make Little Move to Cut Canada's Wheat Production

No Ratification of London Agreement to be Asked — Provinces Prepare Bill to Give Them Power to Impose Sales Quota

From Our Own Correspondent

OTTAWA.—The extent to which wheat restrictive policies will be applied in Canada in the coming year is now clearly disclosed.

Unofficial but reliable reports indicate that:—

1. There will be no attempt to curtail production, apart from the propaganda campaign now underway in the west.

2. The three prairie provinces will enact legislation giving the governments power, if need arises, to restrict the sales of wheat by farmers.

3. Canada's export quota for the crop year 1934-35 will be announced as approximately 260,000,000 bushels, although this figure differs radically from the provisions of the World Wheat Agreement.

May Dismiss Agreement

In point of fact the text of the Wheat Agreement will be shown to be so loosely drawn that the document may be dismissed as of no significance so far as Canada's wheat policy for the new crop year is concerned. In place of the official text of the Agreement will emerge a general understanding arrived at between the four large exporting countries—United States, Argentine, Australia and Canada.

As stated in The Financial Post at the time the Wheat Agreement was announced, the Dominion government and the governments of the three prairie provinces are really relying upon the grass-hoppers and the drouth to keep wheat production below a level which would require state intervention. Just as wheat exports in the present crop year have not yet reached 100,000,000 bushels while the quota is 200,000,000, so it is expected that next year the quota will be in no danger of being exceeded in the natural conditions of things.

No Ratification Asked

The decision of the Bennett government not to introduce the Wheat Agreement in Parliament for ratification still holds and the more information regarding the Agreement that becomes available, the less difficulty there is in understanding this attitude. To ratify the Agreement in fact, would be to fasten upon Canada obligations with respect to wheat exports which, it now appears, were never agreed to by the Canadian delegates who signed it—Prime Minister R. B. Bennett and Hon. M. A. MacPherson of Saskatchewan. As their position is generally known to other signatories and as these other countries also agreed to a different basis of export quota than appears in the Agreement, it is not likely that any criticism will be directed at Canada.

The Wheat Agreement deals with the export quotas for the crop year 1934-35 in Article two, which reads:

"They (the U. S., Argentine, Australia and Canada) further agree to limit their exports of wheat during the crop year, August 1, 1934, to July 31, 1935, to maximum figures 15 per cent less in the case of each country than the average out-turn on the average acreage sown during this period 1931-33, inclusive, after deducting normal domestic requirements."

Use 10 Year Yield

The average acreage in this period is 26.64 million acres; the average production is 12.8 bushels per acre. This gives a total of 338,660,000 bushels. From this deduct 117,000,000 bushels for domestic requirements and then the Agreement figure of 15 per cent, and there remains a quota for next year of about 190,000,000 bushels.

Hon. M. A. MacPherson in an explanation of the Agreement has declared that you must take the three year average acreage and multiply it not by the average three year production but by the average production in the ten years 1923-32. This average is 17.31 bushels. On this basis the total is 461,000,000 bushels and making the other two deductions in the way set-out in Article two, the quota amounts to 292,400,000 bushels.

Use Bennett Calculation

Mr. Bennett in statements made in Parliament in the past few days has confirmed the fact that the ten year average production must be taken. But after reaching the total of 461,000,000 bushels, it is understood that the Federal officials take off the 15 per cent and then the 117,000,000 bushels for domestic requirements — leaving a quota of about 260,000,000 bushels.

It is understood that the method of computing the quota followed by the Bennett government will be applied to Canada's exports in the new crop year. The explanation of how this method failed to be adequately set forth in the Agreement is still to be made. In a general way, however, it is understood that the delegates to the Wheat Conference reached an agreement and left it to the experts to figure out the best way to work it out and incorporate it in the Agreement. These experts seemed to have slipped up rather badly, but the four countries affected intend to abide by the method they agreed upon and not by the method outlined in the Agreement.

May Ask For Bonus

From Our Own Correspondent

EDMONTON. — The provincial government are apparently relying upon the Saskatchewan Government for the drafting of legislation likely to be introduced this session bearing on the regulation of wheat deliveries by farmers. No details are available here, but Hon. Geo. Hoadley, Minister of Agriculture, stated in the House that legislation was to be concurrently passed by the three prairie provinces and by the Dominion Government, and that the legislation was being worked out at Regina.

Little enthusiasm can be found among members of the house for such a bill. The Alberta Wheat Pool has expressed its willingness to see restrictions placed on wheat deliveries by farmers only if there is appointed a Dominion Wheat Board, while the United Farmers of Alberta declared that farmers must receive compensation if the government should place them under the regulation.

There was a hint of this idea in Mr. Hoadley's additional statement that the governments of the prairie provinces intended to ask the Dominion Government to subsidize western farmers willing to seed feed grains on summer-fallowed land, which, on account of its superior preparation is almost always allotted to wheat.

Drafting Quota Bill

From Our Own Correspondent

REGINA.—The provincial government has been engaged during the past week in attempting to draft a bill for submission to the local legislature for the control of wheat sales by farmers, the basic idea being to allot to each farmer a quota specifying the number of bushels of 1934 wheat that he may sell. It is stated that the proposed legislation is intended to become effective only in the event of the Canadian crop this year producing an export surplus above the quantity which Canada is allowed to export under the London wheat agreement.

Members of the government have been in consultation with R. K. Finlayson, private secretary to the Hon. R. B. Bennett, with respect to the relation between the proposed provincial legislation and supplementary legislation at Ottawa which might be required to make it effective, and L. C. Brouilette, president of the Saskatchewan Wheat Pool has been urging the views of that organization, in conjunction with R. K. Milliken, solicitor for the Saskatchewan Pool.

Think Bill Unenforceable

The general opinion around Regina, where the majority of business men either are now or have been in the past directly interested to some extent in grain production is that the idea simply will not work. There is doubt whether the government will succeed in drafting a bill that it will care to submit, doubt whether such a bill will pass the legislature if introduced, doubt whether it would stand up legally, and doubt whether any serious attempt would ever be made to enforce it.

Key Facts About Wheat

	Total (bu.)	Previous Week (bu.)	Same Week Year Ago (bu.)
Visible Stocks (Week ended Feb. 26):			
Canadian	114,067,000	116,282,000	105,285,000
Argentine	17,268,000	16,583,000	12,492,000
United States	100,640,000	103,215,000	143,576,000
Australia	99,000,000	101,600,000	111,000,000
Canadian Wheat in Store:			
Fort William, Mar. 2	68,999,186	67,989,692	63,039,901
Country elevators, Feb. 23	105,394,539	106,139,429	110,831,740
Total, all points, Feb. 23	230,524,489	232,557,145	225,017,067
World Shipments, incl. flour (Week ended Mar. 5)			
North American	4,014,000	4,239,000	5,056,000
Argentine	2,628,000	4,020,000	3,366,000
Black Sea*	24,000	224,000	....
Australian	1,352,000	2,588,000	6,628,000
Total (world)	8,418,000	11,663,000	15,210,000
World Wheat on Passage (Mar. 5)	40,024,000	41,160,000	60,384,000
Canadian Marketing and Exports:			
Canadian exports† (Feb. 23)	2,620,873	2,018,367	3,069,007
Cumulative to Feb. 23 (30 weeks)	97,977,077	95,356,204	149,332,966
Prairie marketings, D. B. S. (Feb. 16)	2,823,624	2,081,402	1,896,078
Cumulative to Feb. 16 (29 weeks)	176,945,178	174,121,554	292,892,051
Country deliveries (Mar. 2)‡	1,527,000	1,853,000	4,274,000
Country loadings (Mar 2)‡	1,796,970	2,323,720	5,035,555

*Includes South Russia. †Excluding flour. ‡Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to March 6, 1934

Crop year from Aug. 1, 1933 High	Low		Open Feb. 28	High for week	Low for week	Close Mar. 6
		Wheat				
.95	.59¼	May	.68⅜	.69⅞	.67⅝	.69¼
.71½	.62¼	July	.69⅝	.71	.68⅞	.70½
		Oats				
.48½	.29½	May	.35⅝	.36¼	.35¼	.35⅝
.38⅝	.32½	July	.36⅛	.36½	.35½	.36
		Barley				
.59⅝	.32¼	May	.41⅞	.42⅝	.41⅝	.42
.44⅝	.36¼	July	.42⅞	.43⅝	.42½	.42⅞
		Flax				
1.71½	1.15	May	1.52¼	1.56⅞	1.51	1.55¼
1.58	1.39½	July	1.51¼	1.55	1.50¼	1.53¾
		Rye				
.68½	.39¼	May	.49	.49⅝	.47⅝	.48½
.53¾	.43⅝	July	..	.50⅝	.49⅞	.49⅝

World Wheat Surpluses Show Considerable Decline

Supplies of wheat available for export or carryover in the four major exporting countries amounted to 842 million bushels on February 1 as compared with 966 million at the same date in 1933. Available supplies were lower in Canada, United States and Australia and greater in Argentina.

Surplus stocks of the four major exporters are shown in the following table as at February 1:

Surpluses of Major Exporters February 1

	1933	1934
	(million bushels)	
Canada	288	251
United States	404	302
Argentine	135	175
Australia	139	114
Totals	966	842

In qualification of the reduced surplus supplies shown for the above countries, it should be mentioned that the surplus in the Danube Basin and Russia is greater than a year ago—by perhaps 40-50 million bushels. The Danubian countries were granted a quota of 54 million bushels under the London Agreement, while their exports in 1932-33 were only 8.3 million bushels. Most of the Danubian surplus is held in Hungary—where at least 35 million bushels are reported as available for export.

The International Institute of Agriculture places the world exportable supplies for 1933-34 at 1,105 million bushels compared with 1,321 million bushels in 1932-33 and a five-year average (1927-28 to 1931-32) of 1,294 million bushels. The relation between the exportable supplies and importers' requirements is much wider than usual, but a reduction in year-end stocks in exporting countries is commonly forecast.

Pool Charters Freight Space On Hudson Bay Steamers

Freight space in two vessels of the Dalgleish Steamship Line, pioneers of the Hudson Bay route, has been reserved by the Saskatchewan wheat Pool for 1934, Hon. J. A. Merkley, Saskatchewan Minister of Railways, Labor and Industries, announced recently. The Pool has chartered the S. S. Brandon which will arrive at Churchill at the opening of navigation and space has been reserved for 1,500 tons of general cargo for discharge at London. Approximately 2,000 tons of general cargo space has been reserved for the remainder of the season.

Arrangements are also being made to charter other steamers which will provide space for additional general cargo, particularly on the eastbound trip, it was stated. A further announcement regarding the steamers, sailing dates, etc., will be issued

ESTD 1857

Grain Merchants Shippers & Exporters

75 Years' Experience in Domestic and Foreign Marketing of Grain

Pioneers in the Exporting of Grain from Western Canada

Correspondents in Every Foreign Port where Canadian Grain is sold

JAMES RICHARDSON & SONS
LIMITED

OFFICES:
EXECUTIVE OFFICES - WINNIPEG EXPORT OFFICES - MONTREAL, VANCOUVER
KINGSTON-TORONTO-CALGARY-EDMONTON-MOOSE JAW-SASKATOON-REGINA

NATIONAL ELEVATOR CO., LTD.
HEAD OFFICE: WINNIPEG, MAN.
Western Office: Calgary and Edmonton, Alta.
Operating 123 Country Elevators in the Three Western Provinces.
TERMINAL OFFICE: FORT WILLIAM, ONT.
We Specialize in Oat Sacking for Eastern Trade and the Manufacture of Poultry Feeds

FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Winnipeg
Two Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

RELIANCE GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 Produce Exchange, New York
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

Your Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.
If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.
Please send me The Financial Post for the next year (52 issues). I enclose $5.00.
Name ....
Occupation ....
Address 365

Cuts in Deficits, Interest, Wages Basis for Australian Recovery

Deliberate Currency Depreciation Tempered Blows of Declining World Prices

By DR. G. L. WOOD,
Department of Commerce, University of Melbourne

When the disastrous fall in prices for primary products occurred in 1930, Australia, as one of the world's "brave borrowers," was placed in a particularly difficult predicament. Unfortunately export income fell, and the inflow of capital loans abruptly ceased, at the same moment; but the interest on overseas debt represented a rigid annual charge of approximately £26,000,000 which had to be met from seriously diminished credits in London.

The first panic reactions were inevitably directed toward maintaining Australian credit abroad rather than toward internal adjustments which would permit of a deflation sufficiently gradual to preserve the social and economic structure of the Commonwealth. After an initial period marked by severe distress, a plan was evolved by which the federal and state governments co-operated in a scheme of recovery in which budgetary balance was to be sought within a period of three years.

The major adjustments effected by this plan have been the cut in expenditure and the enlargement of revenue for state and federal governments; the expansion of central bank credit as a means of financing deficits and providing for public works; the reduction in the internal interest rate which afforded relief to debtors of all classes; the reduction of the basic wage by the Arbitration court which reduced the main costs of industry and set the standard for the inevitable lowering of the national standard of living; and the adverse exchange rate which was the chief instrument in correcting the balance of payments and maintaining the internal price income structure.

An improved outlook is now reported in most branches of activity. The wool situation is much improved because of the rise in prices; secondary industries are more hopeful, indicated by a rise of industrial shares, and retail trade shows encouraging progress. Unemployment is slowly declining and the budgetary position of all states is far more satisfactory than four years ago. In New South Wales for instance, revenue for the six months to Dec. 31, 1933, decreased £2,340,187, largely due to tax remissions, but expenditures were reduced £2,568,492. Victoria countered a revenue decline of £300,000 by cutting expenditures £276,000.

Balance of Payments

During the period of planned recovery comprehensive and courageous measures were devised under which a strict control was to be exercised over the balance of payments, the states were to be assisted by loans arranged by the Commonwealth Loan Council, and legislation was to be enacted in all states providing for statutory reductions in wage and interest rates. This scheme for closing the gap between internal costs and external prices was to be completed by centralized monetary control through the Commonwealth Bank board.

The alternative courses of action to regain prosperity were to plan either for (a) stable internal prices, and let the external exchange rate find its own level, or for (b) parity of exchange with sterling and a lower level of internal prices. This was, of course, the traditional choice between an inflationary or a deflationary policy; but actually Australia chose a middle course by which the Anglo-Australian rate was "pegged," and internal prices and values stabilized as far as was expedient. The scheme in total became known as the Premiers' Plan, and was agreed to in May, 1931.

The chief result of the operation of the plan is shown most concisely by a comparison of the balance of payments for three years of depression. These are given below, and it will be noticed that a deficit on international account has been converted into a substantial surplus.

Australian Balance of Payments, 1929-30 to 1933-4
(In £ Millions Sterling)

Year	Total Trade Dr.	Total Trade Cr.	Bal.	Gold Export	Net Bal.
1929-30 ..	187	115	—72	25	—47
1932-33 ..	97	93	— 4	12	+ 8
*1933-34 ..	90	95	+ 5	5	+10

* Estimated.

Obstacles Surmounted

The need for a co-ordinated plan of recovery that would combine the efforts of all the states was demonstrated by the end of 1930. Although evidence of a great fall in national income was plainly to be seen on every side, necessary adjustments were strenuously resisted. The first national measure to rectify the situation was the result of the decision by the Commonwealth Arbitration Court to reduce the federal basic wage by 10 per cent. This, together with the cost of living adjustment, effected a reduction of about 20 per cent in wages of certain representative industries. This was regarded as a standard which might be applied to all other incomes; and an advisory committee of under-treasurers and economists recommended that it be applied first to governmental costs and later to internal interest rates. It was later increased to 22½ per cent, which became the measure of sacrifice considered necessary to balance the national ledger, and to reduce the accumulated deficit from £41,000,000 to £15,000,000 within two years.

It cannot be pretended that this "all-round cut" was accepted without complaint. The enabling legislation was passed only after great difficulty in each state; but in the end a rough "equality of sacrifice" was secured throughout the community. The brunt of the depression, however, in Australia as overseas, fell upon industrial workers, and the course of crisis is reflected in the rise and fall of unemployment as shown below.

Year	Quarter	Unemployed Number	Percentage
1930	I	63,000	14.6
	II	81,000	18.5
	III	90,000	20.5
	IV	104,000	23.4
1931	I	114,000	25.8
	II	119,000	27.6
	III	121,000	28.3
	IV	118,732	28.0
1932	I	120,000	28.3
	II	124,000	30.0
	III	122,000	29.6
	IV	115,000	28.1
1933	I	109,000	26.5
	II	107,000	25.7
	III	105,000	25.1

This growing volume of unemployment added to the embarrassments of state governments; and the expenditure upon relief was financed through special taxation and loans raised through the Loan Council.

Financial Policies

Intimate connection between budgetary policy and banking policy was, of course, inevitable. Reduced governmental expenditure under the plan; even with the emergency taxation (higher income taxes, special unemployment tax, sales tax and primage), failed to cover the deficits. For 1933-34 the revised plan allows for deficits amounting to £8,500,000, although sinking funds offset this amount. For the first four months of the current financial year, the permissive deficits allowed by the plan have actually been reduced by about £250,000, so that effective control of government finance has been regained. It is anticipated that the federal budget will again show a surplus even larger than that of 1932-3 which permitted remissions of taxation and further assistance to states to the extent of £3,500,000. Special assistance to wheat growers for 1933-4 is being provided by means of a flour-tax which is, however, both unsound in principle and unpopular in operation.

The method which enabled the progressive reduction of deficits was that of internal short-term borrowing by means of treasury bills. This is nothing less than a form of controlled inflation, and by 1933 the short-term debt thus carried amounted to £85,000,000, and became a source of considerable uneasiness to the orthodox who became anxious for funding operations. Actually the Loan Council arranged with the Commonwealth Bank for the issue of the treasury bills; and, while the trading banks at first viewed the issues with suspicion, it rapidly became apparent that the bills offered the very form of liquid investment which the banks were seeking for their accumulaing fixed deposits. Not only have the bills become a liquid investment, but they have been of great assistance to the banks by enabling a progressive reduction of interest rates to be achieved. It was, however, realized that wholesale funding of the treasury bills would arrest the nascent recovery, whereas piecemeal funding would become natural and easy by the normal means of internal loan operations as recovery strengthened. Actually £5,000,000 of the short-term debt was thus retired in 1933.

Debt Situation

The improvement in the debt situation for the Commonwealth and states may be noted from another angle. The table below shows the increase in the total Australian public debt, and the rise and fall of the annual interest payments from 1914 onward. Of this debt approximately 50 per cent is held overseas.

Commonwealth and State Debts
(£ 000,000's)

	Federal Debt	Annual Int.	States Debt	Annual Int.	Total Debt	Total Annual Int.
1914	19.2	.7	320.3	11.4	339.4	12.1
1920	352.4	16.5	425.9	17.7	778.3	34.2
1931	396.4	20.8	759.7	37.4	1,156.0	58.2
1933	396.8	17.1	807.9	33.3	1,204.7	50.4

The National Income

All the indications are that national income, which fell from an estimated total of £650,000,000 in 1929 to something approaching £400,000,000 in 1931, is once more increasing. This is largely due to the higher prices received for wool; and overseas income will benefit by an increase exceeding £10,000,000 for the present season. That "old man of the sea," the interest on the overseas debt, has been reduced from approximately £28,000,000 sterling to approximately £26,000,000 sterling, and this lower charge will be more easily met from the higher income of 1933-34.

The Banking Situation

The main feature of the banking situation over the twelve months is the extent to which money invested in fixed deposits has declined. The percentage of deposits bearing interest has fallen from 69.26 in September, 1932 to 68.59 in September, 1933. In the light of strong Stock Exchange markets which existed at the end of the year, an acceleration may be expected in this movement during 1934. A summarized statement of the deposits and advances of all Australian banks is shown below.

The Banking Position
(£ 000,000's, Australian currency)

	Sept. 1932	Sept. 1933
Deposits		
Current A/cs.	82.3	85.7
Fixed savings	185.3	181.7
	267.6	267.4
Advances		
Loans and inv'ts. ...	279.4	287.9

Exchange Policy

The feature which particularly distinguishes the Australian plan is the deliberate depreciation of the monetary unit. The external exchange rate was allowed to rise against Australia until £130 Australian was needed to purchase £100 sterling. In 1932 the rate was dropped to £125 about which it has since remained.

The immediate effect of this depreciation was to stimulate exports and discourage imports, and to counter the situation caused by a fall in sterling prices for primary products of approximately 60 per cent. Nevertheless, despite a 25 per cent greater volume of exports, the sterling value fell from £150,000,000 sterling before the depression to £87,000,000 for 1932-3. Australia's chief obsession was to provide £28,000,000 in sterling for the overseas debt, and about £47,000,000 for imports, plus anything further which could be used to rebuild the sadly depleted Australian balances. Whereas in pre-depression years the banks carried £50-60,000,000 in London as a reserve against bad seasons, in 1932-3 that amount was about £35,000,000 and the rebuilding of this reserve is a matter of some urgency.

Three Efficient Instruments

It was a singularly fortunate circumstance that the onset of depression found Australia endowed with three most efficient instruments for the control of essential economic adjustments affecting wages, government budgets, and monetary policy. These are the (1) Arbitration Court, (2) the Loan Council (in co-operation with the Premiers' Conference) and (3) the Commonwealth Bank.

In the Commonwealth Arbitration Court which has been criticized in more prosperous times, resided the power of rapid adjustment of wages to national income, although that power would have been of little value without the magnificent and understanding acceptance of wage awards by the people of Australia. The Loan Council represented a ready-made power of control over budgets by means of the "power of the purse" in the form of loans. It also canalised financial accommodation for public purposes in a most effective fashion. Lastly there was the fact that in the Commonwealth Bank, there existed an institution capable of handling the monetary problem on a national basis; and of taking the leadership in financial problems of great complexity such as those concerned with the concentration of gold stocks, with the pooling of overseas credits, with the rationing of exchange after government requirements had been met, and with the issue of treasury bills as a means of financing government deficits.

It is due to the efficiency of these controls that inflation of the currency has been prevented, that the credit of Australian institutions, private and public, has been preserved, and that the wholesale price level and the values of assets have been stabilized.

Aiding Primary Producers

The financial measures in general, and the exchange policy in particular, have proved very effective in tempering the blows of circumstances to the primary producer. A fall of overseas prices of the order of 70 per cent in gold and 50 per cent in sterling spell ruin to both wheat and wool farmers. The raising of the exchange, aided by government subsidies and mortgage relief legislation, has effectively prevented distress and loss of rural values which have been so prominently a part of the primary production picture in America. Under that shelter adjustments have been effected which have lowered farm costs very rapidly, although the high costs imposed upon rural producers by the tariff have become a burning question which has compelled a modification of tariff policy.

Overcame Rigidity

The general conclusion is that the organization of the Australian economy and the high degree of political intelligence displayed by the people have overcome the rigidity which has made economic adjustment so difficult in other and more favored countries. The particular adjustments which the flexibility of the system enabled through its institutions made possible the legislative and financial measures which brought the Commonwealth into line with world conditions with least shock and disturbance. Those measures, at first experimental, have fallen into place in a rational plan of attack upon national problems for which a large amount of success is modestly claimed.

For Australia the future depends upon recovery of world trade and the maintenance of market demand for her products; upon the course of currencies; and upon the development of new products. Meanwhile public credit is restored, business is reviving, industry steadily expanding, and capital returning for investment in Australian enterprises; and that definitely constitutes an encouraging picture to a world still in the toils of adjustment.

Bay-Adel. Garage Earned $10,000 in 1933; Revenue Up

Bay-Adelaide Garage improved its position in 1933 and is showing increased earnings in 1934, The Financial Post is informed. About $10,000 was earned on the property in 1933, and was applied on tax arrears, bringing these down to some $7,000, it is understood. Interest on Bay-Adelaide 6½'s of 1947 has been in default since 1932. While prospects are improved, no arrangements have been made for early interest payment.

Current revenues are running about $600 a month above 1933 figures, it is understood. So that tax arrears may be liquidated this year, if the improvement continues. The building's difficulties were due to its lessee, Toronto United Garages Ltd., being unable to live up to a lease on the property at $62,976 annually. The Bay-Adelaide Garage, therefore, took over the property, but left Toronto United Garages in charge as operating managers. This arrangement is still in force.

FAR EAST BECOMES SCRAP IRON MARKET

From Our Own Correspondent

VANCOUVER.—While war clouds hang over the Far East this port, in company with others down the Pacific coast, is sharing in the shipment of large quantities of materials that may eventually be converted into munitions of war.

Travellers from the Far East state that wharves in Yokohama and other Japanese ports are piled high with scrap iron and other material, much of which has been sent from Vancouver. Russia is also buying in large volume.

Nitrates passing through Vancouver in considerable quantity for months. A large quantity of steel rails which were accumulating rust on a siding at Port Mann, near here, for years has now been moved across the Pacific to Japan. These rails had originally been ordered shipped to Russia during the Czarist regime for use on the trans-Siberian Railway, but the revolution ended that project and since then the rails have been idle, regarded as so much junk.

Form New Brokerage Concern

G. W. BOWCOCK

R. F. MORGAN

Partners in the newly formed firm of Bowcock, Morgan & Co., will carry on a general brokerage business with membership on the Toronto Stock Exchange. Both partners have been identified with brokerage companies in Toronto for many years.

TOURISTS FEWER EXPENDITURE LESS IN PAST SEASON

More Canadians Travel to U. S. A., But Again Spending Lower

Preliminary estimate of Canada's tourist trade in 1933, made by the Dominion Bureau of Statistics, places the total expenditures of tourists from other countries at approximately $115,000,000 and total expenditure of Canadian tourists in other countries at $50,000,000, these figures showing decreases of $97,000,000 and $7,000,000 respectively as compared with 1932.

There are three general classes of tourists entering Canada, those who arrive by ocean ports, tourists from the United States by automobile, and tourists by rail and steamer. Of these groups, tourist trade by automobile from the United States is by far the most important.

Fewer U. S. Auto Tourists

Automobile tourists showed a sharp decline in 1933. Automobiles entering for a period not exceeding 24 hours numbered 2,233,418 as compared with 3,070,390 in 1932; for a period not exceeding 60 days, 863,136 compared with 1,032,967, and for not more than six months 333 compared with 420. Declines were evenly spread over all provinces.

Expenditures of automobile tourists were also reduced, according to information obtained by circulation of tourists in conjunction with the United States Department of Commerce. Comparative rates for the different classes for 1932 and 1933 were estimated as follows:

Auto Tourists Expenditure Rates

	1933 $	1932 $
24 hour class	7.75	11.50
60 day class	63.50	106.25
6 month class	234.00	582.00

Expenditures Down

Applying the above rates to the different classes, the expenditure of automobile tourists is estimated to have been $72,196,000 in 1933 which, converted into Canadian dollars at the exchange rates prevailing during the tourist season would represent $77,250,000 as compared with $159,838,000 in 1932.

Tourists arriving by ocean ports, compared with 1932, were as follows:

Tourists Arriving By Ocean Ports

	1933	1932
Saloon	2,258	2,445
Cabin	3,374	2,929
Tourist, third, etc.	4,018	4,381

Ocean Port Arrivals

Estimated expenditure for this class of tourist, on the basis of $1,100 for saloon, $850 for cabin and $600 for tourist and third class, make total expenditure of $7,762,500 which, after adjustment for prevailing exchange rates is $7,315,000 as compared with $10,543,000 in 1932.

Returns from the railway and steamship companies are not yet complete but, on the basis of those already received, the expenditures of this class of tourist are provisionally estimated at $30,000,000, a decline of about $8,000,000 from 1932.

Summary of expenditure estimates follow:

Expenditures of Tourists in Canada

	1933 $	1932 $
Auto tourists	77,250,000	159,838,000
By ocean ports ...	7,315,000	10,543,000
Rail, steamer, etc.	30,000,000	38,000,000
	114,565,000	208,381,000

More Canadians Travel

There was an increase in the number of Canadian automobiles exported for touring purposes during 1933 all provinces sharing in the advance. Expenditures were sharply lower, however, with the result that total expenditure for the year is estimated at $24,611,000 as compared with $27,247,000 in 1932.

Canadian Automobiles Exported for Touring Purposes

	1933	1932
Maritime Provinces	7,920	5,587
Quebec	96,718	91,148
Ontario	164,795	149,418
Manitoba	13,387	9,762
Saskatchewan	6,678	4,613
Alberta	2,368	1,750
British Columbia .	125,266	114,579
Total	417,132	376,857

Canadian tourists by ocean ports showed a small reduction in number as compared with 1932. From information obtained by questionnaire the following rates were adopted: $1,002 for saloon; $674 for cabin and $400 for tourist and third class. Applying these rates to the total, expenditures of tourists are estimated at $13,982,000 as compared with $19,255,000 in 1932.

Expenditure Summary

Summary of expenditure estimates follow:

Expenditures of Canadian Tourists Abroad

	1933 $	1932 $
By automobile ...	24,611,000	27,247,000
By ocean port ...	13,982,000	19,255,000
By rail, steamer ..	11,500,000	10,900,000
Total	50,093,000	57,402,000

Ontario Petroleum Output

A slight gain in crude petroleum output was recorded by Ontario in 1933 when 136,022 barrels were produced, as compared with 130,343 barrels in 1932, according to the Dominion Bureau of Statistics.

CONS. OKA SAND OPERATING LOSS HEAVIER IN 1933

Bond Interest is Unpaid—Readjust Property Values

From Our Own Correspondent

MONTREAL. — Adverse conditions in the Montreal building trade during 1933 were reflected in the operating income account of Consolidated Oka Sand and Gravel Co. The financial statement for 1933 shows a loss in operations of $58,678 compared with a net profit of $22,505 in the preceding year. In the latter part of 1932 the company defaulted on its bond interest. Consequently the income account for 1933 does not show this charge, whereas in 1932, $43,615 was paid on this account. The aggregate deficit for 1933 was $58,799 compared with $21,109 in 1932.

Particulars of the profit and loss income account follow:

	1933 $	1932 $
Net earn.	*58,678	22,505
Bond int.	....	43,615
Net loss	58,678	21,109
Prev. surp.	‡121	†37,428
Balance	‡58,799	16,319
Losses w.o.	¶78,500	*15,302
P. & L. Bal.	‡137,300	1,016

* Net loss.
‡ Deficit.
† After adjustments.
¶ Book value of part of fleet abandoned as worthless and sunk by order of the board of directors.
* Balance of loss on surrender of leasehold rights in Robertson property.

Working Capital Position

	1933 $	1932 $
Curr. assets	86,239	88,921
Curr. liabs.	101,389	49,626
Work. cap.	*15,150	39,295

* Excess of current liabilities over current assets.

Debt is Unchanged

At the end of last year, Consolidated Oka Sand's balance sheet showed assets totalling $1,737,968, including a deficit of $137,300. This compares with assets in 1932 totalling $1,682,821 of which there was a surplus of $1,016 in the profit and loss account. Current liabilities show a sharp increase, due to accrued interest on the bonds. A small addition has been made to reserves which totals $155,678.

There is no change in the outstanding funded debt, preferred or common stock.

Among the assets, one of the principal changes is a decrease in the fixed account from $1,580,995 to $1,502,119. This was due to the absorption of a loss of $78,500 on the part of the company's fleet which were considered as worthless and sunk. Current assets show a minor increase. Otherwise there are no changes of any importance among either the assets or liabilities.

New Use of Equipment

In his report to the shareholders on operations last year, James Playfair, president, had the following to say in part:

"The fleet of barges at Sorel deteriorated to such an extent that they became worthless and it was deemed advisable to dispose of them; this action reduced heavy annual expense on fleet maintenance."

MONT. FINANCE PROFITS IN 1933 SHOW INCREASE

Change Made in Preferred Stock Dividend Rate and Payments

From Our Own Correspondent

MONTREAL.—Montreal Finance Corp.'s financial statement for 1933 reveals an increase in earnings; a reduction in the fixed dividend rate on the preferred stock from 8 to 6 per cent; and an increase in dividends on the preferred stock from 4 to 6 per cent.

Gross revenues reported by the company for 1933 totalled $78,142. This compared with $40,671 in 1932. After making provision for depreciation of equities, etc., taxes, dividends, there was a deficit of $14,354. In the previous year, there was a balance of $671, after payment of a smaller dividend and no provision for depreciated equities.

PROFIT AND LOSS ACCOUNT
(Year Ending Dec. 31)

	1933	1932
Operating profit	78,142	40,671
Less: Deprec., etc. ...	24,672	......
Taxes	7,824	......
Pfd. dividends	60,000	40,000
Surplus	*14,354	671
Brought forward	16,234	16,674
Less: Tax adjust. ...	749	1,048
Loss on prop. sale .	290	63
Carried forward	833	16,234

New Liabilities Shown

At the close of last year the company's balance sheet showed assets of $1,604,829. Two new items appear among the liabilities: $14,995 representing first mortgages on property under promise of sale and $91,781 representing first mortgages on properties acquired by foreclosure, etc.

Reserve for depreciation of equities and non-collection of interest has been increased from $159,442 to $241,925, while the unearned discount on mortgages purchased has been written down from $141,903 to $58,926.

Among assets mortgages receivable total $1,182,749 compared with $1,192,277 a year ago. Properties acquired by foreclosure show a sharp increase—$59,727 to $149,012. Investments remain the same, while working capital position shows a moderate improvement.

BRAZILIAN STATE, MUNICIPAL BONDS RESUME PAYMENT

Compromise Plan Covers Next 4 Years — Details of Dollar Loans

Interest payments on Brazilian state and municipal dollar bonds, many of which are held in Canada, are to be partially resumed under a settlement plan recently arranged with creditors' representatives. The plan covers payments for the four years between April 1, 1934, and March 31, 1938. A further review of the situation is to be made not later than September, 1937.

Under the plan, any payments on coupons will be for those then due, and partial payments will constitute full payment. Overdue coupons will be paid last, or left for future adjustment. The debtor governments are to budget in Brazilian currency for full service of the loans, and may employ in Brazil the portion of debt service not transferred.

Detail of Settlement

The plan divides the various Brazilian loans into eight categories. Of these only six include dollar loans, in which Canadian investors are chiefly interested. Dollar loans concerned, and terms of payment, are as follows:

Brazil Service Agreement on Foreign Dollar Bonds

Debtor Gov't.:	Rate %	Maturity	Group No. †
*Federal	5	1951	1
Sao Paulo (State)	7	1940	2
Federal	6½	1/10/57	3
Federal	6½	15/10/57	3
Federal	7	1952	3
Federal	8	1941	3
Minas Gereas (State) ...	6½	1958	6
Minas Gereas (State) ...	6½	1959	6
Rio Grande do Sul (State)	6	1969	6
" " " " "	7	1966	6
" " " " "	7	1967	6
" " " " "	8	1946	6
Sao Paulo (State)	6	1969	6
" " "	7	1956	6
" " "	8	1936	6
" " "	8	1950	6
Maranhao (State)	7	1958	7
Parana (State)	7	1958	7
Pernambuco (State)	7	1947	7
Porto Alegre (City)	7	1968	7
" " "	7½	1966	7
" " "	8	1961	7
Rio de Janeiro (City) ...	6	1933	7
" " " "	6½	1953	7
" " " "	8	1946	7
Rio de Janeiro (State) ..	6½	1959	7
Santa Catharina (State)	8	1947	7
Sao Paulo (City)	6	1943	7
" " "	6½	1957	7
" " "	8	1952	7
Ceara (State)	8	1947	8

* Funding loan issued, and to be issued, in lieu of payments of interest on Federal loans until Oct. 15, 1934.

† Settlement by groups is as follows:
Group 1—Full service to continue.
Group 2—Interest to continue in full; annual sinking fund reduced from 10% to 5% for 4 years.
Group 3—Interest to Oct. 15, 1934, to be paid in funding 5's of 1951; thereafter in cash, 35% for 2 years, 40% for 1 year, 50% for 1 year, coupons thus partly paid to be cancelled as fully paid. Amortization suspended.
Group 6—Coupons to be paid in cash 20% for 1 year, 22½% for 1 year, 25% for 1 year and 35% for 1 year.
Group 7—Coupons to be paid in cash, 17½% for 1 year, 20% for next year, 22½% for next and 32½% for fourth year.
Group 8—Special study of situation to be made.

PULP AND PAPER TREND OF EXPORTS ON BETTER SCALE

Better Prices for Pulp and Demand for Newsprint Seen in Returns

From Our Own Correspondent

MONTREAL. — Pulp and paper exports in Canada last January had an aggregate value in excess of that reported for the previous month and for the same month last year.

Returns compiled by the Dominion Bureau of Statistics show that pulp and paper shipments from Canada last January totalled in value, $8,756,544. This compares with $8,707,780 in December and $6,880,093 in January, 1933.

Paper exports for the first month of the current year showed gains over the two previous comparative periods. The gain was particularly marked in the case of newsprint, due to the larger volume of shipments. Pulp exports also reflected the improvement in the industry's position.

Increases Are General

Following are the exports for last January, compared with the preceding month and the corresponding month of 1933:

	Jan. 1934 $	Dec. 1933 $	Jan. 1933 $
Paper—			
Newsprint ...	6,415,668	6,437,759	5,204,445
Others	366,812	275,132	218,342
Total	6,782,480	6,712,891	5,422,787
Pulp—			
Sulphate	323,110	175,860	167,348
Sulphite (bl.)	1,206,721	1,226,431	911,125
Sulphite (unbl.)	288,245	257,441	190,793
Mechanical ..	114,811	301,630	182,628
Screenings ...	17,086	12,227	1,836
N. O. P.	24,591	21,300	3,586
Total	1,974,064	1,994,889	1,457,306
Total P. & P.	8,756,544	8,707,780	6,880,093

Cumulative Total Lower

During the twelve months ended January 31, 1934, exports of pulp and paper from Canada totalled in value $97,637,220. This compares with $101,346,419 in the preceding year.

The drop in value of newsprint shipments more than accounted for the decline in the aggregate value of exports. Though shipments were on a more substantial basis, value of exports totalled $70,411,738, or slightly more than $9,000,000 less than in the twelve months ended January, 1933.

It is noted that exports of other paper products, sulphate pulp, bleached sulphite pulp and other forms of pulp, had a higher export value in the year just ended.

Comparative data of pulp and paper exports for the twelve months ended January, 1934, and 1933, follow:

	12 months ended Jan. 1934 $	12 months ended Jan. 1933 $
Paper—		
Newsprint	70,411,738	79,509,558
Others	3,344,087	3,279,402
Total	73,755,825	82,788,960
Pulp—		
Sulphate	3,205,975	2,518,199
Sulphite (bl.)	14,440,879	10,878,526
Sulphite (unbl.)	3,164,977	2,452,771
Mechanical	2,619,711	2,559,544
Screenings	237,103	74,651
N. O. P.	202,750	73,768
Total	23,871,395	18,557,459
Total P. & P.	97,637,220	101,346,419

Ship Pulp to Belgium

The Port Royal Pulp and Paper Company Limited at Saint John are making a trial shipment of best grade bleached sulphite, in ten ten-ton lots, to Belgium, in competition with Scandinavian products. This is the first shipment of the kind from the local plant to Europe.

THIS IS MY FAVOURITE PRESCRIPTION

"When I've got a job of work to do, what's the first thing? I just naturally fill my pipe—with Picobac.

"And after supper—at the end of a long, hard day—when the time comes for a man to lean back in his chair and crack a smile with his friends—what do I do? Why, I light up my pipe and pass the Picobac. Of course I do. Just like I'm going to do again now.

"I want to tell you, gentlemen, the up-to-date Burley tobacco from Kentucky seed, such as we grow down here in Essex County now—along our Lake Erie front—cured . . . graded . . . matured and manufactured in Canada the way Picobac is today . . . well . . . it has the flavour. It has the fragrance. TRY it! That's all.

"Good for making cigarettes, too—and don't forget, you get more tobacco for your money."

NEW SEAL-TIGHT POUCH 15¢
HANDY POCKET TIN 10¢
ALSO IN ½ POUND HUMIDOR TINS

"IT DOES TASTE GOOD IN A PIPE"

Picobac

GROWN IN SUNNY, SOUTHERN ONTARIO

VIAU BISCUIT'S INCOME LOWER FOR PAST YEAR

Hope Recent Betterment Will Carry Through 1934

From Our Own Correspondent

MONTREAL.—Gross profits of the Viau Biscuit Corp. showed a moderate decline in 1933 as compared with the previous year. Notwithstanding an important increase in the volume of production and a considerable reduction in the cost of operations, the net loss, after creating depreciation and other reserves, was larger than in 1932.

Some encouragement was held out to the stockholders, however, by the fact that during the last quarter there was a noticeable improvement in the company's operations and earning power. This improvement has been maintained since the beginning of the year.

No Dividends Paid

Gross profits for 1933 total $315,701 compared with $362,160 in 1932. There was a net loss, after providing for senior charges, of $34,958, as against $21,509 in 1932. During the past year, however, no dividends were paid on the capital stock, a condition which was reflected in the comparative income account following:

	1933 $	1932 $
Gross prof.	315,701	362,160
Exp.	265,220	309,086
Net earn.	50,481	53,074
Oth. inc.	2,386	3,688
Net op. prof.	52,868	56,762
Interest	28,080	28,272
Bad debts	14,246	20,000
Deprec.	30,000	30,000
Stands. racks	15,500	......
Net loss	34,958	21,500
1st pfd. div.	......	50,680
Balance	*34,958	*72,189
Prev. bal.	2,940	105,129
Balance	*32,018	32,940
Loss w.o.	593	......
Balance	*32,611	32,940
†Transfer	......	30,000
P. & L. bal.	*32,611	2,940

* Deficit. † To reserve for depreciation and obsolescence.

Working Capital Position

	1933 $	1932 $
Curr. assets	455,119	492,282
Curr. liabs.	156,741	190,787
Work cap.	298,378	301,495

Reduce Bank Loan

Viau Biscuits' balance sheet at the end of 1933 showed assets totalling $2,564,351, as against $2,606,581 on December 31, 1932. The company's bank loan was reduced during the year by $40,000 to $60,000. Other current liabilities show relatively little change from a year ago.

Funded debt has declined from $337,300 to $332,700. There was no change in the issued preferred and common stocks.

Segregate Goodwill Item

Among the assets, the principal change was the setting up of an account for goodwill, against which a book value of $332,976 has been set. This deficit was reflected in a reduction of the fixed assets from $1,870,475, to $1,538,515.

Investments are carried on the books at cost, namely $202,500. The audited statement does not show the market value of these securities or investment. Inventories have been reduced from $218,792 to $166,694. There is a slight improvement in cash on hand and accounts receivable.

Tax Burden Heavy

In his report to shareholders Theophile Viau, president, had the following to say in part:

"During the last fiscal year, your corporation had to pay a sum of $133,268 in taxes of all sorts. The sales tax, 6 per cent, and the tax of two cents per pound on sugar represent together more than ten per cent of the turnover. Under present conditions, it is impossible to pass these special taxes to the consumer in their entirety. The manufacturers should come to some agreement on this point."

B. C. Death Duties Invalid But Legislature May Alter

From Our Own Correspondent

VANCOUVER.—British Columbia Succession Duties Act has been found invalid by the provincial court of appeal, and the province will now take its case to the Supreme Court of Canada.

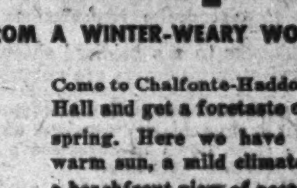
Meanwhile Attorney-General Gordon Sloan is taking steps to have the act amended at the present session so that it will meet the constitutional objections of the court. Alberta has cured the defect in its own legislation on this subject by providing that an executor or administrator is not personally liable for the tax.

The trial judge in British Columbia found that the B. C. act imposed a personal liability for the tax on the executor or administrator of an estate with an obvious intent that he should recoup himself from the beneficiary of the estate. Hence, he declared the tax was indirect, and, therefore, unconstitutional.

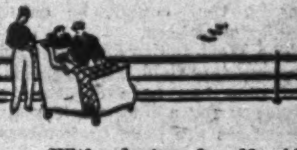
Escape

FROM A WINTER-WEARY WORLD

Come to Chalfonte-Haddon Hall and get a foretaste of spring. Here we have a warm sun, a mild climate, a beachfront view of ocean and clean, dry Boardwalk that will make short work of ennui.



With plenty of golf, riding, and other resort attractions added to our dances, concerts, Sun Decks, health baths, and superb food, you'll soon forget about slush and business blues.



If the tedium of winter is beginning to pall, a good holiday by the sea is the cleverest escape. And we'll do our best to make it a GOOD one. Rates are moderate. American and European plans.

Chalfonte-Haddon Hall
ATLANTIC CITY
Leeds and Lippincott Company

Saint John Booming

General cargo exports through the Port of Saint John to date this season show an increase of approximately 36 per cent, H. C. Schofield, president of the Saint John Harbor Commission, announces. Exports of general cargo totalled 146,937 tons as compared with 108,012 tons for the corresponding period last season, an increase of 38,925 tons.

TRANSFER AGENT

This institution is fully equipped to render a complete service as Trustee, Registrar, Transfer Agent, Agent under Escrow or Pooling Agreement, etc.

Should you desire to use any of these services, we would be pleased to discuss them with you.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

THERE ARE
Join the Ely circle
ADVANTAGES

FEAR PRICE RISE MAY CUT MARKET FOR B. C. LUMBER

Present Trend Will Soon Allow Baltic Exports to U. K.

From Our Own Correspondent

VANCOUVER.—If lumber prices continue to rise the export markets recently opened up by British Columbia may be adversely affected, some operators believe. Prices are now 50 to 60 per cent higher than a year ago and Baltic countries will soon be able to compete on favorable terms with the B. C. product in the British market.

Price is recognized as the prime consideration in the British market. All other things being equal, the British lumber importer will buy in the lowest market. The price of logs is now up to the 1928 level and there has been such a demand for them that logs have been imported from the United States for the first time in a considerable period.

Labor Troubles

Labor is demanding a larger return, and this has resulted in an extensive logging strike on Vancouver Island, where the provincial government is taking steps to intervene. There have been several increases in wages, but the general belief is that there will have to be a further increase, and this cannot fail to advance the price of the finished product.

Apart from this feature, the general outlook for export of lumber is good. Australia has been buying in greater volume, although its purchases of logs have increased more than the purchases of sawn lumber. Australia is developing her own sawmill industry and operators here fear that the country may fashion her tariffs in such a way as to discourage importations of lumber.

Thanks to a subsidized shipping service, large orders are going out to China regularly. Common lumber is in good demand there. Japan is still buying chiefly "squares" which are sawn down in Japanese ports for various purposes.

B. C. mills are finding an important outlet in South Africa, although tradition in that dominion has been to buy in Scandinavia, and most of the orders placed here are for heavy structural timber and lengths that cannot be obtained readily elsewhere.

The West Indies are regarded as a promising field, although southern pine has been entering that territory for a long while and old prejudices are hard to counteract.

New Anglo. Soviet Treaty

From Our Own Correspondent

OTTAWA. — Two events have given encouagement to the Canadian lumber industry in recent weeks. Coupled with a general improvement, reflected in greatly increased cutting operations this winter, the industry now expects the current year to mark a rapid rise in production and to bring lumber mills in all the provinces measurably nearer to prosperity.

The two events are: the decision to reduce the quota of Soviet exports of timber to the United Kingdom by 100,000 standard or, roughly, 200 million feet, and the official report that in negotiating a new Anglo-Soviet treaty the British Government has taken care to guard against impairment of the Ottawa treaties and Empire preferences.

The cut in the Soviet timber quota is expected by officials of the Canadian Lumbermen's Association to result in a sharp increase in this year's sales of Canadian lumber to Great Britain. The extent of this increase is estimated at from one to one hundred and fifty million feet. Considered in the light of the present export trade, this will probably mean that our sales to the United Kingdom in 1934 will exceed 600 million feet, which is a greater amount, except for 1920 than has ever been exported to the Old Country in any one year.

The general position of the industry, as revealed in the latest statistics is as follows: the maximum production was in 1929 when 4,471 million feet of lumber were marketed. With 1930 came a sharp recession which carried the output down until 1933 when the estimated production was but 1,604 million feet. The increase in domestic and export demand now being experienced, however, promises to raise the figure in 1934 above 2 billion feet, with every prospect of sustained improvement in succeeding years.

Fear Bootlegging

Exports to Britain have languished since 1920 when 703 million feet were sold on the British market. By 1928 the exports had fallen below 200 million feet and they reached a low of 137 million feet in 1932. In 1933, (fiscal year), the trade began to feel the stimulus of the Ottawa treaties and exports advanced to 221 million feet. This increase, however, has been greatly exceeded in 1933-34. In the nine months ended December 31, last, exports were 432 million feet, and it would appear that the last three months will swell this total to more than 530 million feet. Add a new market of 150 millions in the new year and exports to Great Britain will have almost equalled the banner year of 1920.

While the lumbermen give credit to the Ottawa treaties for the cut in the Soviet lumber quota, they are anxious that precautions be taken to prevent the bootlegging of Soviet timber into Britain through Baltic countries, like Finland. They do not fear the competition of Scandinavia but would find it impossible to compete against timber shipped indirectly from Russia to Britain.

Big Drop in Output Packing Plants in 1932

Total number of animals of all kinds slaughtered at Canadian plants during 1932 was 4,855,912, with a total dressed weight of 826,843,376 pounds, and a total cost value of $54,591,942. Compared with the preceding year the number of animals slaughtered shows an increase of 399,000 or 9 per cent, and the dressed weight an increase of 36,561,119 pounds, or 4½ per cent, while for the total cost value of the animals, a decrease is recorded of $18,872,011, or 25½ per cent.

Total value of animals slaughtered and miscellaneous materials used during the year 1932 was $65,575,957, compared with a total of $91,276,842 in 1931.

Elected Director

T. G. POTTER

Of Flood, Potter & Company, members of the Montreal Stock Exchange, who has just been elected a director of Bruck Silk Mills, Ltd.

C. P. R. CHARGE PENSION FUND TO OPERATIONS

Change in Practice Seen in Monthly Report of Earnings

From Our Own Correspondent

MONTREAL.—Both gross and net operating income of the Canadian Pacific Railway last January were on a higher scale than that reported for the same month a year ago.

Operating revenue during the first month this year totalled $8,970,335, an increase of $1,294,674 for January, 1933. Operating expenses increased from $7,352,288 to $8,081,346, leaving net revenue at $888,980, or $565,616 greater than a year ago.

Particular interest and significance attaches to the January operating figures which include a charge of $149,548 for pensions. This represents an important departure from the custom followed in other years. For many years it had been the custom at the end of the year to make contribution to the pension fund, which up to 1932 had been non-contributory. Between 1928 and 1932 the contribution amounted to $750,000 annually, prior to 1928 it had totalled $600,000.

Fund Practically Eliminated

The report of the pension department for 1932 showed that it was insolvent. Pension funds increased nearly 100 per cent between 1927 and 1929. The result was that the income from the pension fund, together with contributions from the company, were unable to cover payments. In 1932 most of the principal was absorbed; the balance carried forward into 1933 amounted to only $108,627. Payments in 1932 totalled $1,431,996.

The operating statement for January this year would indicate that, in future, pension fund payments will be charged directly against operations. On the basis of the January payment it would appear that pension payments now aggregate $1,794,576 yearly. This is roughly $360,000 more than was paid out in 1932.

CANADA IRON'S INCOME LOWER FOR PAST YEAR

Redemption of Debentures Features Financial Statement

From Our Own Correspondent

MONTREAL. — Canada Iron Foundries' statement for 1933 shows a further sharp contraction in earning power from operations. On the other hand, income from affiliated companies and investments was on a higher scale, though the total income of $297,769 was approximately $73,000 less than reported in 1932. The feature of the report, however, was the redemption of the entire debenture issue, amounting to $430,000.

Having regard to the amounts written off against properties for depreciation over a period of years and to reserves set up, the directors determined on a depreciation charge for 1933 of $10,959. This compares with the normal write-off of $195,069. Consequent upon this action the income shows interest, maintenance, dividends and taxes fully covered, with a surplus of $136,513 carried forward to the profit and loss account balance.

Add to Surplus

Particulars of the profit and loss account figures for the past three years follow:

	1933	1932	1931
	$	$	$
Oper. inc.	51,040	187,303	345,448
Other inc.	246,729	182,597	316,259
Total inc.	297,769	369,900	661,707
Deprec.	10,959	195,069	195,059
Interest	24,300	25,800	27,300
Maintenance	3,713	3,793	4,440
Dividends	116,334	116,334	280,635
Taxes	5,950	....	....
Surplus	136,513	28,916	154,273
Prev. surp.	381,673	352,750	198,487
P. & L. bal.	518,186	381,676	352,760

Working Capital Position

	1933	1932	1931
	$	$	$
Curr. assets	1,044,891	1,431,284	1,845,056
Curr. liabs.	172,200	246,196	376,017
Work cap.	872,691	1,185,088	1,469,039

Preferred Now Senior

At the end of 1933 Canada Iron reported assets of $7,118,896 compared with $7,716,893 at the end of 1932. The principal change among liabilities, as already pointed out, was the redemption of the debenture issue. No change has taken place in the capital stock, while bank loans have been reduced from $220,380 to $14,960. Other changes among liabilities are unimportant.

Property account at the end of last year showed practically no change. Investments are carried on the books at $2,980,831 compared with $2,974,831 a year ago. Loans to affiliated companies have been reduced from $373,148 to $161,675. There is a slight reduction in inventories which stand at $582,284.

Government bonds held by the company amount to $58,216, a slight increase over that reported a year ago. Cash on hand has been reduced about $46,000 to $9,516, while call loans are lower by $250,000 at $200,000.

CANADA WIRE CO. OPERATING PROFIT WELL ABOVE 1932

Marked Improvement in Last Half Reflected in 1933 Report

From Our Own Correspondent

MONTREAL.—Though the first six months were the worst in the history of the company, the improvement in business during the last half of the year enabled Canada Wire and Cable Co. to show a net operating profit in 1933 of $74,692, compared with a loss of $283,666 in 1932.

Substantial export sales of copper rods continued throughout 1933 at highly competitive prices, which, while showing no profit, served the purpose of absorbing a portion of overhead. The total export and domestic tonnage shipped exceeded any previous year and in dollar value was higher than in 1932.

Current Prospects Better

In his report to shareholders, H. Horsfall, president, remarked that prospects for the current year are much more promising than a year ago in most fields on account of increased activity in mining, electrical apparatus, automobiles and radio manufactures, electrical utilities, etc. There are also indications of better building operations, he says, and a generally more optimistic feeling throughout the electrical industry.

Particulars of the profit and loss account figures for the past three years follow:

	1933	1932	1931
	$	$	$
Op. prof.	†74,692	*283,666	‡291,172
Other inc.	14,930	17,427	42,977
Total inc.	89,622	§266,239	334,149
Inc. tax	224	10,394	52,000
Net prof.	89,398	§276,633	282,149
Deprec.	85,000	......	......
Balance	4,398	§276,633	282,149
Pfd. div.	....	188,672	190,446
Balance	4,398	§465,305	91,703
Com. div. A	....	59,338	118,676
Balance	4,398	§524,643	§26,973
Com. div. B	....	....	224,914
Balance	4,398	§524,643	§251,887
Prev. surp.	72,945	597,589	919,638
P. & L. bal.	77,343	72,946	597,590

† Before depreciation.
‡ After depreciation.
* Loss.
§ Deficit.

At the end of 1933 Canada Wire and Cable's balance sheet showed assets totalling $7,462,147, a decline of silghtly more than $8,000 from the previous year.

Current liabilities payable at the end of 1933 were much the same as at the end of 1932. No change has taken place in outstanding preferred or common stock, while the surplus shows a small increase.

No Details of Securities

Examination of the assets shows cash on hand to be lower at $138,349. Securities at the end of the past year had a book value of $992,245 and a market value of $449,711. At the close of 1932 the company's investments were carried on the books at $987,860, against which the market value was $359,050. The report does not contain particulars of these investments.

Accounts receivable are higher at $347,414, while inventories at $1,460,868 compare with $1,357,287 a year ago.

Property account is shown on the books at $4,400,580 as against $4,480,268 a year ago. The amount shown against goodwill remains unchanged at $2, while the value of patents held by the company has been written down from $11,954 to $10,000.

Ontario Fire Losses Higher in January

Fire losses in Ontario in January were considerably higher than in the same month of 1933 and the number of fires was also greater. Losses amounted to $967,502 from 1,411 fires as compared with $691,187 from 1,295 fires in January a year ago.

All types of fires showed increased losses, dwellings making the greatest increase largely owing to a $124,222 loss in an Ottawa fire. The only other large fire during the month was resulted in a $46,132 loss at the Card and Paper Co., Peterborough.

Rule Premium Finance Endorsement Illegal

Financing of premiums on automobile insurance policies should be a matter between the insured and the finance company, according to a recent ruling of the standard forms joint committee of Ontario automobile underwriters. A premium finance endorsement should not be included in automobile policies, it was felt. Chief objection to the endorsement form is that it materially alters the statutory conditions of the policy.

The committee reported that the endorsement materially alters the statutory conditions contained in the automobile policy, particularly statutory condition No. 11, dealing with cancellation. The endorsement contravens section 174 of the Ontario Act as it in no way complies with the conditions set down in that section. The endorsement usurps the insured's rights under the policy as

Australian Longevity

The expectation of life for a male infant born in Australia is 65 years, and for a female 68 years, according to the Federal Health Department. In 1890 a male infant in Australia could expect only 47 years, and a female 50 years. The senior medical officer, Dr. M. J. Holmes, considers that the increased expectancy of life is due to many factors, including better working and living conditions, and preventive medicine, notably in connection with tuberculosis. The death rate from "T.B." is little more than half what it was in Australia 20 years ago.

Insurance Inklings

J. N. MacKENDRICK, general manager of the Gore District Mutual Fire, sailed recently for Naples from New York. He will be away for about three months.

C. SIMMONDS has been appointed Edmonton manager of the Northern Life Assurance Co.

H. L. PORTER, C.L.U., has been appointed Hamilton branch manager of the Monarch Life Assurance Co. He was formerly manager at Fort William.

R. F. R. BOREHAM has been appointed Fort William manager of the Monarch Life to succeed Mr. Porter

Pay Coupons to Feb. 1, 1933

Holders of coupons of the school corporation of Black Lake, Que., dated Feb. 1, 1933, or earlier have been advised by the Quebec Municipal Commission that funds for payment of such coupons have been deposited with the Banque Canadienne Nationale. Such coupons should, therefore, be presented for payment.

All Cobalt in N. Ontario

All the cobalt produced in Canada comes from the silver-cobalt-arsenic mines at Cobalt, Gowganda, and South Lorrain in northern Ontario.

Insurance for Buyer and Seller

GREAT-WEST HEAD PROPOSES PLAN OF JOBLESS COVER

Suggest Unemployment Insurance Based on Wage-Earner Tax

URGES CAUTION

Thinks No Standard Plan Suitable for Canada—Present is Poor Time to Start

Submission of an unemployment insurance scheme for Canada based on a uniform wage tax on workers was outlined last week by C. C. Ferguson, general manager of the Great West Life Assurance Co. in an address before the Employers' Association of Manitoba. Mr. Ferguson urged that in his opinion there was no standard plan of unemployment insurance which "eliminating all others, is the obvious one for Canada to adopt."

He pointed out that industrial unemployment was only one phase of a great problem which must be faced in the future and that under no circumstances should such a plan be introduced in times of depression since if this were done the sane judgment of more normal times would undoubtedly be warped by the stress of abnormal conditions.

Four Main Features

Mr. Ferguson said in part:

"The broad plan of unemployment insurance I have in mind might be summarized under four headings:

"(a) Contributions in the form of a wage tax of a small uniform percentage, payable by all earners of income;

"(b) The proceeds of the tax to be kept in a special fund to be used for no purpose other than to pay insurance benefits;

"(c) Any citizen who cannot find employment or whose employment does not provide him and his family with enough to live upon, to be entitled to benefits;

"(d) There would be quite severe regulations as to the amount of the benefits payable, waiting periods, continuity of benefits, etc.

"There is no standard plan of unemployment insurance which, eliminating all others, is the obvious one for Canada to adopt. The plan should be adapted to the local conditions, and here a most important point arises. Canada is not a highly industrialized country. Agriculture is our main industry, and if unemployment insurance excludes agricultural workers, as it usually does, we must be careful to see that agriculture does not pay an undue, or perhaps any, share of the cost.

National in Scope

"The plan will likely be national in its scope and administration. It may apply only to selected occupational classes, with contributions collected from employees and employers. If the plan is thus limited to selected occupational classes, and excludes farmers, a contribution by the government will not be very popular with agriculturalists, who would have to pay a considerable share of the cost without receiving any benefit.

"A plan of unemployment insurance so limited in scope would not avail to free our governments from the necessity of extending relief, when needed, to those of the people who did not benefit from the unemployment insurance. Such general relief could only be at the expense of the ratepayers generally, and so we would find that those employers and employees who had contributed what were virtually taxes to provide for their own unemployment needs, would be taxed a second time to provide relief for the uninsured.

Part of Large Problem

"As I see it, industrial unemployment is only a part of a great problem. How shall we best provide so that in the future there will be a minimum of want among our people, and a minimum need for public relief? Or, if we cannot apply completely preventative measures, how shall we plan our individual and community economy so that we may be in a position to relieve adequately such want as may arise again?

"Unemployment insurance gives at the best only a partial answer to these great questions, because, as now contemplated, it will probably only apply to a minority of our people. The only solution that I can suggest, is that we should revive and extend those principles of economy and savings which were fundamental in the minds of our forbears. We all realize now that as individuals, corporations, or governments, we did not create adequate reserves in the days of prosperity, and so depression has found us unprepared.

"Having in mind, therefore, the future welfare of the entire community, and not restricting our thoughts merely to a section of the community, I would like to see Canada establish a system of insurance which would make provision for the needs of deserving citizens generally, either through cessation of employment, or through their employment not producing enough for them to live upon, they need to draw upon reserves created for that very purpose.

Suggests Tax on Wages

"Now, whereas almost any citizen of Canada has the chance of benefitting from the broad plan of unemployment insurance, I have in mind, the contributions to the cost of the system should obviously be on an equally broad basis. I have been wondering, in this connection, whether it would not be logical for the Dominion Government to collect those contributions in the form of a small wage tax, payable by all earners. If considered desirable, persons could be exempted from the tax levy who were adequately providing for their own unemployment needs through contributing to approved unemployment funds administered by the corporations employing them.

"It is of considerable importance to decide rightly the time at which any national scheme of unemployment insurance should be put into effect. I would suggest that the worst time that could be selected would be during the currency of a great depression.

"Whatever chance we have of sane judgment being exercised during normal times, in such an intricate matter, it would be almost hopeless to expect that really intelligent decisions could be made when the thinking processes of almost every person are warped and distorted by abnormal conditions.

"Further, there would be almost a certainty that any unemployment insurance fund set up at a time when unemployment is epidemic will become insolvent as soon as it starts business. It may, therefore, be taken as granted that no unemployment insurance system has any chance of permanent success unless it is instituted during times of normalcy. I, for one, think that our Government has acted wisely in deferring the matter, and that it will be well advised to defer it further, at least until a return of prosperity is reasonably assured.

Deep Premium Cut For Quebec Drivers

Retroactive to March 1, members of the Canadian Automobile Underwriters Association last week agreed to a 20 per cent reduction in auto premiums on all types of cover in the city and island of Montreal and to a 10 per cent cut on all rates in Quebec Province outside Montreal.

The cut applies to all rates, that is, public liability, property damage, fire, theft and so forth and to all types of cars.

This latest development has come as something of a surprise in that at the annual meeting of the association last December, the only change in rate for Quebec Province was the extension in that province of the merit rating plan giving careful drivers a 10 per cent bonus for one year clear record; a 15 per cent discount for a two-year clean sheet and a 20 per cent cut to those who have operated for three years or more without a claim.

PORTAGE MUTUAL REPORTS PREMIUMS $880,000 IN 1933

Fiftieth Annual Report Shows Surplus Maintained—Assets Down

A 10 per cent decrease in premiums written and a slightly higher loss ratio on total business is reported by Portage La Prairie Mutual Insurance Co. in its 1933 statement. The company recently held its 50th annual meeting at its head office at Portage la Prairie, Man. Assets are lower in the 1933 statement but cash surplus as compared shows a slight gain at the end of the year, amounting to $365,140.

Bulk of the company's business is in fire insurance, premiums written being $40,000 less than in 1932 with earned loss ratio substantially improved at 50 per cent as compared with 89 per cent a year ago.

Casualty volume (the bulk of which is automobile insurance) is lower by $173,000 although earned loss ratio in this coverage is considerably higher at 63 per cent as compared with 41 per cent a year ago.

Comparative figures for the past two years follow, the company's 1933 figures being compared with Government blue book figures for 1932. These latter figures are somewhat different to the published figures as shown in the company's statement for 1932, owing to sundry assets in this report not being admitted by the federal superintendent.

	1933	1932†
	$	$
Premiums written*	879,895	1,088,782
Fire	539,142	580,089
Casualty	340,753	513,942
Net losses incurred	431,103	409,711
Earned loss ratio	54.4%	51.2%
Fire	50.0%	89.0%
Casualty	63.1%	41.3%
Surplus	365,140	362,479
Assets	875,980	963,307

* Gross prems. less return premiums before deduction of reinsurance.
† Federal Blue Book figures.

GORE MUTUAL FIRE INCREASES SURPLUS

Loss Ratio Lower and 25% Dividend Paid — Officials Promoted

A substantial improvement in loss ratio and a good gain in surplus and assets are reported in the 95th annual report of the Gore District Mutual Fire Insurance Co. of Galt.

Premium volume was only slightly below 1932 and was well above the average of the past three years. Losses were considerably lower. Total number of policies in force and business at risk on the company books at the end of the year show increases, the former to the extent of 3,376 and the latter by $2,330,000. The company now has something over $62,000,000 of business on its books.

Of the increase in assets amounting to over $114,000, about $30,000 came from underwriting profit and the balance from investment earnings. For the 43rd year the company has authorized a distribution of profits to apply on all mutual policies in force as at the end of the year and amounting to 25 per cent.

Reviewing the year's operations the company reports the appointment of a special inspector to devote his time to an examination of farm risks in an effort to improve the company's experience in this class of business.

At a recent meeting of directors, E. S. Hood, assistant secretary-treasurer, was appointed secretary-treasurer. He will take over part of the work of J. N. MacKendrick, who had been secretary-treasurer as well as general manager, a position he will now continue to fill.

T. V. Rigsby was appointed assistant secretary-treasurer and Hugh R. Scott was named superintendent of agencies.

Comparative figures follow:

	1933	1932
	$	$
Gross prems. written	360,999	362,220
Claims paid	136,003	181,050
No. of policies	33,141	29,765
Business in force	62,279,953	59,949,596
Total assets	1,894,048	1,796,101
Surplus	1,649,817	1,562,148

Two Pomotions Announced by Great-West Life Co.

Great-West Life Assurance Co. announces the promotion of H. P. Dexter, formerly chief accountant, to the position of personnel officer having

H. P. Dexter

George Aitken, C. A.

supervision of office planning and personnel. In addition to his duties in regard to planning and personnel he will assume more definite charge of matters pertaining to purchasing and the head office building.

George Aitken, C.A., has been appointed chief accountant to succeed Mr. Dexter.

WOULD ELIMINATE TORONTO SCHOOLS FIRE INSURANCE

Many Reasons Given for Plan — Risk is $17,000,000

Representations looking toward the elimination of fire insurance coverage on school properties in Toronto have been made to the Board of Education of that city by Trustee S.T. Bigelow. The total amount now at risk is $17,000,000 and savings of $18,000 a year could be made, according to this trustee.

Trustee Bigelow points out that this idea was tried before. In 1921 the board decided to set up a sinking fund out of which to carry its fire losses. The plan was to pay into the fund about $20,000 a year until $150,000 was accumulated and to keep the fund constant at that figure. Lacking the power to create a sinking fund the board applied to the legislature to amend the law but the bill never got past the committee stage.

His argument is as follows:

"From the year 1898 to 1932 the board paid in fire insurance premiums $431,694 and during that same period it recovered from fire insurance companies as a result of fire losses only $105,839. On the basis of the last 35 years (surely a sufficient period to give us a perfect picture of the insurance situation) we will save the taxpayers $9,310 a year if we carry our own insurance; on the basis of the last 25 years we would save $13,157 a year, and on the basis of the last 15 years we will save $18,122 a year.

"In only two years since 1908 (1912 and 1914) did the premiums paid exceed the fire losses, and then only by an aggregate figure of about $15,000.

"During the year of the biggest fire loss ever sustained by the board (Hillcrest school in 1932, fire loss $26,200) when the board, in addition, sustained eight other fire losses, the premiums paid exceeded the fire losses paid by nearly $12,000.

Risk is Diversified

"The fire risk is carried on approximately 120 buildings, the average value of which is upwards of $150,000, and, as in few other enterprises, whether business, public or semi-public, practically all the buildings come reasonably close to that figure. Thus, the risk is distributed in an ideally equable manner.

"What is the risk, however, of a Toronto school being completely gutted by fire? It is virtually negligible. First, no smoking, the cause of so many fires, is permitted in the schools. Second, in schools, the fire always starts from within, and never from the grounds, or from adjoining buildings. Third, the fire in schools almost always starts from the boiler-room, which, in every modern school, has metal ceilings, brick walls and concrete floors. Fourth, each classroom is insulated by a brick partition. Fifth, every modern school is as nearly fireproof as human ingenuity can make it. So that if a fire starts, its effects can almost instantly be localized, keeping the average fire loss extremely low."

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

General Casualty of America

I recently took out a policy covering my car, with General Casualty Co. of America and First National Insurance Co. of America with offices in Seattle, Wash., and Canadian head office in Vancouver, B.C.

I would appreciate knowing if the above companies maintain necessary Canadian deposits and are safe to insure with.

General Casualty Co. of America and First National Insurance Co. of America are both regularly licensed by the Federal Insurance Department at Ottawa and maintain deposits with that department sufficient to meet the unearned premiums outstanding.

General of America has been doing business in Canada since 1926 and the First National since 1930. The former has a deposit of $106,000 and the latter $123,000.

The complete statement of General of America for the year ending December 31, 1932, (latest available) shows a surplus over all liabilities of $2,111,000 exclusive of capital stock paid up in cash of $1,000,000. Total assets are $7,574,000. For First National the figures are: net admitted assets $418,778 and surplus over all liabilities of $161,000, exclusive of capital stock paid in cash of $250,000.

Sask. Insurance at Risk About $3,750,000 in 1932

From Our Own Correspondent

REGINA.—Up to the end of 1932 the amount of insurance at risk in Saskatchewan totalled $374,752,818 a decrease from 1931 which totalled $396,108,511. Comparative figures for the two years are:

Insurance Statistics of Saskatchewan

	1932	1931
	$	$
New business	29,353,789	38,193,722
Add. and revivals	14,797,399	14,874,867
Ceased by death	1,588,477	1,746,877
Ceased by maturity	752,480	472,160
Other deductions	68,236,532	78,141,913
Net premiums	11,454,538	12,632,895
Death claims	1,486,280	1,868,699
Matured endowments	536,511	413,396
Surrender values	5,613,053	4,235,555
Other payments	2,574,604	3,004,876

Wawanesa in Merger With German Mutual

Notice has been filed with the Superintendent of Insurance, Edmonton, Alta., that the German Mutual Fire Insurance Co. and the Wawanesa Mutual Insurance Co., will amalgamate, according to an agreement dated January 15, 1934, which has been duly approved by shareholders.

The following insurance companies have served notice of withdrawal from the Province of Alberta:

British Underwriters Agency of America.
British Colonial Fire Insurance Co.
Laurention Underwriters Agency.
United States Fire Insurance Co.

Melville Bradshaw Named Treasurer of North American

Melville A. Bradshaw, C.A., has been appointed treasurer of the North American Life Assurance Co. to succeed C. W. Strathy who has retired. H. Gowan Ardagh and John T. Bryden have been appointed assistant treasurers and J. J. Wells, registrar.

Time Waits For No Man:

But it loses its menace when your life is assured. Here are some of the things that life assurance can do for you:

Make certain a monthly income for your later years.

Continue the comforts of life to which they are accustomed for your wife and children, regardless of when you are taken away.

Guaranteed funds for the education of your children, and thus make sure of their future position in life.

Insure that your value to your business may be given cash form when you are no longer with it.

The Sun Life of Canada has a policy to cover every need. See one of our representatives.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE — MONTREAL

Grain Insurance Does Very Well In Past Year

A highly profitable year is reported in the 14th annual statement of Grain Insurance and Guarantee Co. of Winnipeg. Net premiums earned are higher by 16.6 per cent than a year ago at $557,000, of which $494,000 was from fire business. Losses were less than half the 1932 total and the earned loss ratio which a year ago was 45 per cent is this year cut to 15 per cent.

Net underwriting profit totalled $390,000 against $171,000 a year ago, while net profit on the year's operations before federal income tax amounted to $472,000 compared with $252,000 in 1932.

After transferring this sum to surplus account the company has allocated a special preferred stock surplus of $263,000 to the credit of these shareholders; has written off an additional $51,000 to bring investment reserve to the basis of authorized government values and has appropriated an additional $160,000 to bring investment values into line with market or nominal valuations. A contingency reserve of $10,000 has also been set up.

Free surplus after these appropriations and payment of 7 per cent dividends to preferred shareholders stands at the end of the year at $226,000 against $101,000 a year ago. In addition the company earmarks in surplus account the amount paid in by common stock shareholders by way of capital stock, this item now standing at $17,600. Total assets are $2,195,000 against which investment reserves as outlined above and totalling $397,000 are shown to offset the fact that the company's investments are shown in the balance sheet at cost.

Obituary

Frederick H. Gooch, prominent Toronto insurance broker of the firm of Gooch and Sons, Ltd., died on Feb. 25 at the age of 73 years. Mr. Gooch had spent his entire life in the insurance business joining with his father who was chief agent in Toronto for the North British Insurance Co. before branching out for himself.

NEW RECIPROCAL HAS $14,000,000

Canadian Group Now Covers 209 Subscribers Here and in U. S.

Since commencing business on January 1, the newly-formed Canadian Reciprocal Underwriters, under the aegis in Canada of V. W. Gerrish, Canadian manager of the Ernest W. Brown reciprocal group, has already some $14,000,000 of business on its books, The Financial Post is informed. Of this total something over $5,000,000 has been placed with new subscribers not formerly connected with these reciprocals.

In all the new organization has some 209 subscribers covering 327 risks in all parts of Canada and also in the United States.

Canadian Reciprocal Underwriters has been in process of formation for several months and is under the management of Reciprocal Managers, Ltd., a Canadian corporation whose entire capital stock is owned by Ernest W. Brown, Inc. The organization is licensed with the Ontario insurance department.

Provisions of the agreement issued to subscribers of the reciprocal are said to be almost identical with those used by the Associated Reciprocal Exchanges except that modifications have been made to achieve conformity with Canadian insurance legislation.

Other changes noted are that the method of accumulating an operating reserve has been modified so as to permit earnings being paid on each policy as it expires rather than at the end of the year only. There has been no change in the reserve requirement itself.

Another difference is that the guarantee fund which is specified in the New York agreements as $200,000 appears as only $25,000 in the Canadian set-up with, however, a provision for a contingency reserve to ultimately make up the difference.

THE WESTERN EMPIRE
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON CALGARY EDMONTON VANCOUVER

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Assets — $49,000,000.00

Independent Order of Foresters

FRANK E. HAND Supreme Chief Ranger

HEAD OFFICE: TORONTO, CAN.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
BRANCH OFFICES: Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, St. John, Halifax
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia

FIRE AUTOMOBILE WINDSTORM

Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00

Agents required in Ontario

Write Eastern Branch, 2 Toronto St., Toronto, Ont.

THE WAWANESA MUTUAL INSURANCE CO.

Head Office—Wawanesa, Man.

THE DOMINION LIFE ASSURANCE COMPANY
HEAD OFFICE - - - WATERLOO, ONTARIO

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING MARCH 3

CHARTERED ACCOUNTANTS

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
TORONTO OTTAWA WINDSOR
CLARKSON, McDONALD, CURRIE & COMPANY
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

Established in 1889
By the late J. P. Langley, F.C.A.
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Licensed Trustee
in Bankruptcy.
Liquidator, Receiver, etc.
Offices
McKINNON BUILDING
Elgin 5305-6 TORONTO

"THE NATION'S BUSINESS"
is read more closely, more carefully, by leaders of business and public opinion in Canada than any other editorial column in the country. Read it and benefit from it each week.
THE FINANCIAL POST
10c. weekly — $5.00 per year
TORONTO — MONTREAL

WORTHLESS STOCK SOMETIMES RATES SURPRISING VALUE

Treasure is Concealed in Old Attics, Says Expert

It has been proved that wealth still lies ready to be claimed in unexpected ways. So says Robert D. Fisher, editor of the Marvyn Scudder Manual of Extinct or Obsolete Securities, and treasurer of Marvyn Scudder & Co.

To appraise securities and many times to recover substantial sums of money from apparently worthless ones for its clients is a part of the business of Mr. Fisher. This has been done through the agency of the financial library which Mr. Scudder donated to Columbia University. Through his work as investigator and accountant in the New York State insurance investigation and later in other investigations he was employed to appraise all securities held by every insurance company in the United States. For many years he was employed to apraise the securities held by the New York State comptroller. The result of this was the accumulation, through his financial library of the largest collection known of data on obsolete companies.

In Four Big Banks

In 1926 Mr. Fisher got the idea of distributing this information in book form to the banks and brokers of the country. Three volumes have been published listing approximately 100,000 different corporations in each. The fourth volume, to be published this month, will contain references to more than 500,000 corporations that have gone out of business or are little known. There will be listed therein approximately 5,000 corporations out of existence but whose securities are collectively worth millions of dollars. There are on deposit with trustees in many parts of the United States and Canada some $100,000,000 held in trust for securities of defunct corporations, and available to their legal owners. The four volumes list many such references.

Mr. Fisher tells of a typical case. In 1931 a gentleman called the Marvyn Scudder office from Newark, N.J., stating he was sending for collection on a percentage basis $18,000 of bonds of the Associated Motor Industries. After five months of investigation the Scudder Company recovered about $600 after petitioning the courts in seven different states who held these funds from the sale of properties in their states. They sent Mr. Miller his cheque and in three days it was returned for Mr. Miller was unknown. Mr. Miller had left his Newark address leaving no other address. Mr. Fisher still holds the money which can be claimed by the man from Newark if he will call for it.

Money Recovered

An interesting case was that of the New England Brick Yards Company, now out of existence. A New York bank sent in a bond of the above company for collection. Mr. Fisher wrote the New England Brick Company, the successor company, and were informed that the bond was believed to be worthless. It had a decree value of $396 per $1,000 bond but the bondholders were apparently barred by the statute of limitations. After the sale of the property the unclaimed funds were held in trust for six years. When the trust ended the money had been returned to the New England Brick Company. Mr. Fisher petitioned the court in Massachusetts and succeeded in having the previous decree vacated as illegal. This resulted in the collection of the money for the client and the New England Brick Company was ordered to pay over the remainder of the trust fund to the treasurer of the United States. This money can be claimed by the owners. There are many cases of this kind where money might be recovered if the public would look up their supposedly worthless securities; except as curios or for questionable purposes anybody may know that a purchaser bidding blindly for what he terms a worthless security is gambling that he will be able to collect a handsome liquidating dividend. "No one should sell his securities while ignorant of the value they represent," says Mr. Fisher who instances typical extinct companies whose securities have definite value:

	Value
	Per Sh.
	$
American Speaking Telephone Co.	264
Denver Union Water Co.	28
Colorado Midland Ry., pfd.	30
Colorado Midland Ry., com.	12.50
	Per 1M Bond
Colorado Midland Ry., bond	85.55
Kansas City, Mexico & Orient Ry.	130
Chicago, Rock Island & Pacific R.R., 4%, due 2002	107.66
Consolidated R.R. of Vt.	2,250
Atlantic & Birmingham Ry.	521.20
	Per Sh.
New York Mining Co. (Md.)	171.17
	Per 1M Bond
Colorado Yule Marble Co.	1,180.98
Consolidated Copperminee Co.	568.84
Union Gold Mining Co. (Col.)— (There is a list of 40 stockholders who have not received their final dividend.)	
	Per Sh.
C'wealth Hotel Construction, pfd.	100
C'wealth Hotel Construction, com.	19
Granville Mining Co. (N.C.)— (This company has been out of existence since 1910 and recently an attorney in Florida became interested in the stock. Apparently the company holds some valuable mining rights.)	

Over Million Corporations

The Marvyn Scudder Library lists over a million corporations and can tell the value of most of them. "Do not sell your securities for supposedly nominal sums as they may have a definite value," is Mr. Fisher's advice. He adds: "If every security holder would go to his safety box, the sugar bowl, under the mattress or wherever he keeps his heirlooms and treasures and have them reported on, many millions of dollars could be distributed to their rightful owners now ignorant of these possibilities."

Apparently treasure hunting is still profitable and it isn't necessary to dig for Captain Kidd's treasure.

A. S. & R. Report Shows Recovery In Fiscal Year

Annual report of the American Smelting & Refining Co. for the fiscal year ended December 31, 1934, shows a net profit of $6,010,-384, equivalent to 77 cents on the outstanding capitalization as compared with a loss of $4,506,175 in the previous year.

The company is one of the world's largest producers of silver and accounted for the production of 82,620,47 ounces in 1933. Its gold output was 1,298,697 ounces. Principal interest in the company in Canada centres about its ownership of 51 per cent of Premier Gold Mining Co., operating in the Portland Canal area of British Columbia, and through this company's subsidiaries, particularly the Toburn Gold Mines, at Kirkland Lake, Ont.

The parent company also has 50 per cent interest in the Buchans Mining Co. in Newfoundland.

H. A. Guess, vice-president of the company in charge of its metal mining operations, and located in New York, is a well-known Canadian engineer.

A. J. Pattison, Jr. & Co. LIMITED
(Established in 1907)
INVESTMENT BANKERS
3rd Floor, Royal Bank Toronto, Can.

DUN & BRADSTREET OF CANADA LTD.
THE MERCANTILE AGENCY
Successors to
R. G. Dun & Co. — Established in Canada 1856
The Bradstreet Co. — Established in Canada 1872
CREDIT RATING BOOKS — FINANCIAL REPORTS
16 Offices in the Dominion

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
March 6, 1934

Dividends Declared

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

	Rate	Maturity	Next Int. Date	Price	Yield
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	101.50	4.90
*Toronto	4½	1 Jan., 1955	1 July	101.50	4.39
&Vancouver	5	15 Jan., 1970	15 July	93.00	5.44
Winnipeg	5	1 Mar., 1944	1 Sept.	94.00	5.30
*Edmonton	5½	1 Apr., 1947	1 Apr.	91.00	6.81
Calgary	5	1 Jan., 1943	1 July	90.00	6.48
Halifax	6	1 July, 1951	1 July	111.00	5.05
Saint John	5	15 Dec., 1951	15 June	101.00	4.91
Regina	4½	1 July, 1950	1 July	79.00	6.61
Victoria	5	21 July, 1945	21 July	94.00	5.68
Quebec	5	1 June, 1948	1 June	101.50	4.85

*Payable in New York.

Dominion of Canada Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.,
March 7, 1934

	Rate	Maturity	Asked	Approx. Yield
*†Dominion	5	1 Mar., 1937	106.75	...
†Dominion	5½	1 Dec., 1937	109.50	...
Dominion	5½	1 Nov., 1934	101.70	...
Dominion	5½	15 Oct., 1935	101.00	2.85
Dominion	4	15 Oct., 1935	101.50	3.06
Dominion	5	15 Nov., 1936	104.50	3.23
Dominion	4	15 Oct., 1939	107.50	3.70
Dominion	4½	1 Sept., 1940	103.50	3.88
Dominion	5	15 Nov., 1941	106.70	3.96
Dominion	5	15 Oct., 1943	106.85	4.15
Dominion	4½	15 Oct., 1944	108.25	4.14
Dominion	4	15 Oct., 1943-45	99.25	4.09
Dominion	4½	1 Feb., 1946	103.35	4.15
Dominion	4	15 Oct., 1947-52	98.75	4.10
Dominion	4½	1 Nov., 1946-56	102.25	4.27
Dominion	4½	1 Nov., 1947-57	102.35	4.28
Dominion	4½	1 Nov., 1948-58	102.25	4.29
Dominion	4½	1 Nov., 1949-59	102.75	4.33
Dominion		with talons		

Dominion Guaranteed Bonds

	Rate	Maturity	Asked	Approx. Yield
xCan. Nat. Ry.	4½	1 Sept., 1951	105.50	4.06
*Can. Nat. Ry.	4½	15 Sept., 1954	103.25	4.28
Can. Nat. Ry.	5	1 Feb., 1954	107.75	4.41
xCan. Nat. Ry.	4¾	15 June, 1955	107.75	4.20
xCan. Nat. Ry.	4½	1 Feb., 1956	105.50	4.12
xCan. Nat. Ry.	4½	1 Dec., 1966	104.25	4.26
xCan. Nat. Ry.	5	1 Oct., 1969	109.50	4.37

†Tax Exempt Issues. *Payable in Canada and New York. xPayable in Canada, New York, and London.

Listed Bond Quotations

Week Ending March 3, 1934

Winnipeg Stock Exchange

(Transactions for week to March 3)

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Handwriting Analysis

DO YOU WANT A COMPLETE KNOWLEDGE of yourself and powers? Send specimen of handwriting for a thumb-nail analysis — which gives your right job, what you look like, personality, marriage affinity, faults to remedy. Fee $1. Please mention The Post. State present work. Address F. D. Jacobs, P.O. Box 701, Ottawa, Ont. Well-known graphologist, heard over Radio last summer.

FOR SALE

Large Building situated in Quebec City at proximity of Harbour docks and railway depot, suitable to branch office and Warehouse for an outside Manufacture.
For further information, apply to: Secretary, Quebec Board of Trade, Quebec, P.Q.

MANUFACTURERS' Agent with warehouse facilities at Saint John and Sydney desirous of obtaining additional Standard lines for the Maritime Provinces or could act in a Branch house capacity. Apply Box 818, Saint John, N.B.

FOR SALE

as a going concern

The extensive Lumber business formerly carried on by

WILLIAM COPPING LIMITED

at Joliette, Quebec

and comprising Buildings, Machinery, Saw Mill having a daily capacity of 100,000 feet, approximately 15 acres of land, water power and river rights, etc., stock of cut lumber, Accounts Receivable and 60 square miles of easily accessible Timber limits, estimated to contain 80 million feet saw logs (30 softwood and 50 hardwood) and 200,000 cords pulp wood.

For further information apply—

The ROYAL TRUST COMPANY
Estates Department,
P. O. Box 2580,
MONTREAL, P.Q.

Safe Cabinet — fire proof, large size, outside measurements approximately 52 x 86 x 30; also fire proof filing cabinets, legal and letter sizes. Reply stating full particulars, P.O. Box 3204, Montreal.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

Meetings Reported

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1934, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 3rd day of April, 1934, to Shareholders of record of the 20th March, 1934.

By Order of the Board.
DUDLEY DAWSON,
General Manager.
Toronto, 15th February, 1934.

Canada Permanent Mortgage Corporation

Quarterly Dividend

Notice is hereby given that a Dividend of TWO PER CENT for the current quarter, being at the rate of

EIGHT PER CENT PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE THIRD DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March, 1934.

By order of the Board.
WALTER F. WATKINS,
Secretary.
Toronto, February 21st, 1934.

DIVIDEND NUMBER 251
EXTRA DIVIDEND NUMBER 10

Hollinger Consolidated Gold Mines Limited

A regular dividend of 1%, and an extra dividend of 3%, making 4% in all, (20 Cents) have been declared on the Capital Stock of the Company, payable on the 26th day of March, 1934, to shareholders of record at the close of business on the 9th day of March, 1934.
DATED the 2nd day of March, 1934.
I. McIVOR,
Assistant-Treasurer.

NOTICE

Montreal Tramways Company

ANNUAL GENERAL MEETING

NOTICE is hereby given that in accordance with the By-laws of the Company, the Annual General Meeting of the Shareholders of Montreal Tramways Company, will be held at the Company's Offices, Tramways Building, 159 Craig Street West, Montreal, at 12 o'clock noon, on Monday, the 12th March, 1934. This meeting will be held for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said Meeting.

The meeting will be convened as called, and immediately adjourned until Thursday, the 26th April, 1934, at the same time and place.

The Shareholders are hereby and will further be requested at the said Meeting to ratify amendments to the Company's By-laws heretofore enacted by the Directors, as follows:

1. That Section 4 of Article III of the Company's By-laws be repealed and re-enacted to read as follows:
   4. The Directors at their first meeting after their election shall elect from among their number a President and a Vice-President. They may also elect one or more other Vice-Presidents who need not be members of the Board.
2. That Section 6 of Article III of the Company's By-laws be amended by adding after the word "Vice-President" in the fourth line, the words "who is a member of the Board."
3. That Section 2 of Article VI of the Company's By-laws be amended by adding after the word "Vice-President" in the first line, the words "who is a member of the Board," and by substituting the word "such" for the word "the" before the word "Vice-President" in the fifth line.
4. That Section 3 of Article VI of the Company's By-laws be amended by deleting the words "The Board of Directors may appoint one of its members to be the Managing Director of the Company and be" and substituting therefor the following "Any Vice-President elected by the Directors."
5. That Section 4 of Article VI be amended by inserting the word "General" before the word "Manager" in the first line.
6. That Section 5 of Article VI be amended by deleting the words "Vice-President, Managing Director" in the sixth and seventh lines, and substituting therefor the following: "any Vice-President."

The Transfer Books will be closed from the 21st February, 1934, to the 12th March, 1934, both days inclusive.

By order of the Board.
PATRICK DUBEE,
Secretary-Treasurer.
Monday, January 22nd, 1934.

DIVIDEND NOTICES

DIVIDEND No. 26

HIRAM WALKER-GOODERHAM & WORTS LIMITED

Controlling and Operating
Hiram Walker & Sons, Limited
Gooderham & Worts, Limited
Distillers & Bottlers in Bond

NOTICE is hereby given that quarterly dividend (No. 26) of twenty-five (25c) cents a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Capital Stock of this Company.

This dividend is payable March 15, 1934, to shareholders of record at close of business February 28th.

By order of the Board,
FLETCHER RUARK,
Secretary and Treasurer.
Walkerville, Can., February 23, 1934.

The Bell Telephone Company of Canada

NOTICE OF DIVIDEND

A dividend of one and one-half per cent (1.50%) has been declared payable on the 16th of April, 1934, to shareholders of record at the close of business on the 23rd of March, 1934.

W. H. BLACK,
Secretary-Treasurer.
Montreal, February 28, 1934.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent., upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

2nd April, 1934,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.

The Borden Company

ANNUAL MEETING

The annual meeting of stockholders will be held on Wednesday, April 18, 1934, at our registered office 15 Exchange Place, Jersey City, N.J., at 10 o'clock a.m.

Only stockholders of record at the close of business on Tuesday, March 20, 1934, will be entitled to vote at said meeting notwithstanding any subsequent transfer of stock.

The stock transfer books will not be closed.

THE BORDEN COMPANY
Walter H. Rebman, Secretary.

Canada Iron Foundries, Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 1½% on the Preferred Shares of this Company has been declared for the half year ended December 31st, 1933, payable April 30th, 1934, to Holders of record April 15th, 1934.

By order of the Board.
M. S. GROGAN,
Secretary-Treasurer.
Dated at Montreal,
February 28th, 1934.

NOTICE

The Montreal Cottons Limited

Notice is hereby given that the Sixty-First Annual General Meeting of the Shareholders will be held at the Company's Office, 6th Floor, Mark Fisher Building, Victoria Square, Montreal, on Wednesday, the 14th day of March, nineteen hundred and thirty-four, at the hour of 12.30 o'clock p.m., for the purpose of receiving the Annual Report, electing a Board of Directors for the ensuing year, appointing auditors, and to transact such further business as may come before the meeting.

Montreal, March 5th, 1934.
By Order of the Board,
HUGH A. WILSON,
Secretary-Treasurer.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1934.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1934.

The above Dividends are payable on Tuesday, the 3rd day of April, 1934, to Shareholders of record at the close of business Thursday, the 15th day of March, 1934.

By Order of the Board.
MERVYN OFFER,
Secretary.
Montreal, 27th February, 1934.

DIVIDEND NOTICES

The British America Assurance Company

DIVIDEND No. 132

Notice is hereby given that a dividend for the half year of Three per cent (3%), being at the rate of six per cent (6%) per annum, has been declared upon the Capital Stock of this Company, and the same will be payable at the Offices of the Company, 16-22 Wellington Street East, Toronto, on and after the 3rd day of April, 1934, to shareholders of record at the close of business on the 24th day of March, 1934.

The Transfer Books will be closed from the 26th day of March, 1934, to the 31st day of March, 1934, both days inclusive.

By order of the Board.
LINCOLN CARLISLE,
Secretary.
Toronto, March 1st, 1934.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 30th day of April, 1934.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 1st day of May to Shareholders of record of the 21st day of April, 1934.

On the Common Stock, Seventy-five Cents (75c) per share, payable on the 15th day of May to Shareholders of record of the 5th day of May, 1934.

By Order of the Board,
C. B. ROBINSON,
Secretary-Treasurer.
Montreal, March 5, 1934.

Associated Breweries of Canada Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend (No. 22) of 1¾% upon the outstanding Preference Shares of the Company has been declared, the said dividend to be payable on or after the 1st day of April, A. D. 1934, to Shareholders of record at the close of business on the 15th day of March, 1934.

By Order of the Board,
J. G. WALFORD,
Secretary-Treasurer.
Calgary, Alberta, March 9th, 1934.

The Ontario Loan and Debenture Company

187th DIVIDEND

Notice is hereby given that a QUARTERLY DIVIDEND of 3 per cent. for the current Quarter ending 31st March, 1934, (being at the rate of 12 per cent. per annum) has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on or after the 3rd April, 1934, to Shareholders of record of the 15th March, 1934.

BY ORDER of the Board,
T. H. MAIN, Manager.
London, Ontario, 27th February, 1934.

TENDERS FOR MUNICIPAL DEBENTURES

Tenders for $11,000.00 debentures of the Township of Cumberland, County of Russell, Province of Ontario, will be received by the undersigned at Cumberland, Ontario, up to Saturday, March 31st, 1934, or at the Town Hall, Leonard, Ontario, up to noon, April 2nd, 1934. The issue is comprised of 10 debentures, one due each year, 1934 to 1943 inclusive, bearing interest (coupons attached) at 5½% per annum from December 31st, 1933, the whole issue being retired in equal annual instalments of principal and interest. These debentures were issued to cover the cost of establishing the Cumberland Municipal Telephone System. The by-law authorizing the issue of these debentures was approved by The Ontario Municipal Board pursuant to The Telephone Act and The Municipal Board Act. Tenders must be sealed and marked "Tender for Debenture." Highest or any tender not necessarily accepted.

R. J. KENNEDY,
Clerk and Treasurer,
Cumberland, Ontario.

The Ontario Municipal Board

Notice is hereby given that the Municipality of the City of Niagara Falls has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the Third Day of March, A.D. 1934, and from and after the first publication of this Notice in the "Ontario Gazette" all actions or proceedings against the said Municipality are stayed, and thereafter no action or other proceedings against the said Municipality shall be commenced or continued, nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this Third day of March, A.D. 1934.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.

NOTICE

To Canadian Policyholders of the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A.

On June 1, 1933, the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A., reinsured, with the Indemnity Insurance Company of North America, Philadelphia, Pennsylvania, U. S. A., all of its unexpired policies, outstanding obligations and liabilities. On June 16, 1934, application will be made to the Minister of Finance for the release of its securities deposited and now held by the Receiver General and any Canadian Policyholders opposing such release should file their opposition with the Minister of Finance on or before that date.

ALLIANCE CASUALTY COMPANY,
FRANK A. EGER,
Secretary.

Porcupine Crown Board Weathers Stormy Meeting

The anticipated stormy session broke at the annual meeting of Porcupine Crown Mines on March 3 last in Toronto with the old board of directors, headed by R. M. West as president, remaining in control.

Interest centred about a court injunction presented by R. M. West to restrain C. N. Haldenby from voting 600,000 shares of Porcupine Crown Mines, held by the North Crown Porcupine Mines.

The financial statement presented by the company showed $23,727 in cash and investments in other companies at cost were shown at $614,800.

The company's portfolio of investments is as follows: Northcrown Porcupine Mines, 1,999,991 shares; Crown Reserve Cons. Mines, 10,000 shares; Hudson Bay Mining & Smelting Company, 1,000 shares; Mandy Mines, 5,000 shares; Quemont Mining Corp., 500 shares; Chester Gold Mines, 328,000 shares; the Mining Corp., 2,500 shares; Sylvanite Gold Mines, 1,000 shares; Noranda Mines, 100 shares; Beattie Gold Mines, 270,000 shares; San Antonio Gold Mines, 1,000 shares.

The re-elected board of directors includes R. M. West, C. N. Haldenby, Dr. W. R. Wright, F. O. Gallagher and Mrs. M. Clyde.

DAWSON GOLD MINE INCREASES MILL

Capacity to Be 50 Tons Daily With Added Equipment

From Our Own Correspondent

VICTORIA.—The 25-ton mill at the Dawson Consolidated Gold Mines, Ltd., on Emancipation Mountain near Hope, B.C., is to be stepped up immediately to a capacity of 50 tons a day, it is reported. This decision has been reached by the management owing to the fact that in addition to a large quantity of high-grade ore blocked out, recent development has revealed further low-grade ore in sufficient amount to warrant large scale operation.

The present mill machinery, recently installed, is for a 50-ton mill with the exception of the ball mill and engine. A water system has been installed and a new compressor house built near the railway track and permanent buildings established for all purposes.

DIVIDEND NOTICES

The Whittall Can Company, Limited

Dividend Notice

Notice is hereby given that a Dividend of One and five-eighths per cent (1⅝%), being at the rate of Six and one-half per cent (6½%) per annum, on the Cumulative Convertible (Redeemable) Preferred Stock of the Company, has been declared, payable April 2nd, 1934, to shareholders of record March 15th, 1934.

By order of the Board.
D. H. MACFARLANE,
Secretary-Treasurer.
Montreal, March 6th, 1934.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar ($1.00) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending March 31st, 1934, payable April 2nd, 1934, to shareholders of record March 15th, 1934.

By order of the Board,
L. P. WEBSTER,
Secretary.
Montreal, March 3rd, 1934.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Preferred Dividend No. 37

NOTICE is hereby given that a Dividend of 1¾% (being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending March 31st, 1934, payable April 16th, 1934, to shareholders of record at the close of business on March 31st, 1934.

By order of the Board.
L. C. HASKELL, Secretary.
Montreal, February 27th, 1934.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Preferred Dividend No. 57

A DIVIDEND of one and one-half per cent (1½%) being at the rate of 6% per annum, on the PREFERRED STOCK of SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending March 31st, 1934, payable April 16th, 1934, to shareholders of record at the close of business on March 20th, 1934.

By order of the Board,
L. C. HASKELL,
Secretary.
Montreal, February 23rd, 1934.

The Western Assurance Company

DIVIDEND No. 105

Notice is hereby given that a dividend for the half year of three per cent (3%), being at the rate of six per cent (6%) per annum, has been declared upon the common stock of this Company, and the same will be payable at the Offices of the Company, 16-22 Wellington Street East, Toronto, on and after the 3rd day of April, 1934, to shareholders of record at the close of business on the 24th day of March, 1934.

The Transfer Books will be closed from the 26th day of March, 1934, to the 31st day of March, 1934, both days inclusive.

By order of the Board.
LINCOLN CARLISLE,
Secretary.
Toronto, March 1st, 1934.

Gets McKee Trophy

WALTER E. GILBERT
Canadian Airways pilot and 1933 recipient of the McKee trophy, the coveted award in Canadian aviation circles given annually to the outstanding pilot in Canada. The award instituted in 1927 has been made four years out of the seven to Canadian Airways pilots.

At the Mines

Alexandria Gold Mines—The annual meeting of the company is called for March 12, in Toronto.

Alschbach Gold Mining Co.—Refinancing plans are under consideration to give a further test to the company's property northwest of the producing section at Kirkland Lake. Plans call for sinking a shaft to the 500 ft. level. Last year the Kirkland Hudson Bay Mines had an option on the property and did considerable work.

Bobjo Mines—The British Columbia property, that the company is reported to be interested in, is not the Engineer Mines as has been rumored. It is understood the deal has not been completed and until it is no official announcement will be made.

B.R.X.—Driving northeasterly in the main crosscut, the workings broke into a sheer zone, resembling somewhat the main California vein. The vein showed a width of four ft. with the drills still in the ore.

Butte I.X.L.—Continued steady progress is being made in the sinking of the shaft. As reported some days ago the number 1 vein has been cut, showing values. At present writing depth is around 130 feet, with the vein still in evidence.

Dentonia Mines—A test shipment of ore to the Trail smelter gave a return of $25.63 per ton. All the machinery for the new mill is now on the ground and all paid for, and work in the installation is getting under way. The mill will be running by the end of March.

Diana Gold Mines—(Formerly Gem Lake Mines)—Plans call for the commencement of mining and milling operations at its property in the Central Manitoba area next month. The management intend to start mill operations on a 25-ton-per-day basis for the first month, and later increase production to 50 tons per day. There is said to be around 7,000 tons of ore on the dump ready for millfeed.

Dominion Explorers—Shareholders are in receipt of report over the signature of C. D. H. MacAlpine, president of the company, stating that practically no funds are on hand and that the whole of the capitalization is outstanding with the result that a reorganization of the company is contemplated to put the company in a favorable financial position.

A special meeting is called for March 12 to consider the incorporation of a new company with a capitalization of 3,000,000 shares of $1 par value. Of this 1,204,233 shares will be issued to the existing shareholders on the basis of one new share for each four shares presently held.

It is reported the company has optioned the old Pettigrew property in Northwestern Ontario.

God's Lake Gold Mines—The single drill that has been working on exploratory work some three miles west and three-quarters of a mile north of the drilling on the Aker group, is to be supplemented by heavy drill at an early date.

Golden Quebec Mines—The Federal Trade Commission at Washington announces the filing of an issue of 350,000 shares of common stock underwritten by C. Morrison, Smith & Co., of New York. Bernard J. Cavanaugh of Toronto is president.

Manitoba & Eastern Mines — Diamond drilling at the company's Temagami property under the direction of Bobjo Mines prompted the construction of shaft building equipment for underground work. Three thousand feet of diamond-drilling and 16 holes indicated an ore body 300 ft. in length and 300 ft. in depth, averaging $15 over a width of 4.7 ft. with gold at $35 per ounce, according to official advice of Walter E. Hurd, president of the company.

Minto Gold—The 200,000 shares of Minto which have been held in escrow and were due for release in January, will be distributed to shareholders soon.

Moffatt-Hall Mines—The dewatering of the shaft at the company's property at the eastern end of Kirkland Lake has been completed to a depth of 500 ft. and an arrangement entered into for an independent group to mine such ore as is encountered. Half of the profit on the ore mined is to accrue to the company.

Morning Star (Fairview) Gold Mines—The company has purchased the only available mill site in the Fairview, British Columbia, camp and has secured water rights for 2,000,000 cu. ft. per day to drive the mill. Plans for a mill of sufficient capacity not only to take care of Morning Star requirements but also possible production from adjoining properties.

Test shipments of 1,500 tons of straight mine run ore to the Trail smelter averaged $23.80 gold to the ton, at $35 per ounce. Some 100,000 tons of ore have so far been developed.

John Galloway, former provincial mineralogist of British Columbia has been appointed consulting engineer for the company.

Munroe-Croesus Mines—J. E. Grant and Robert Coffey, owners, propose to explore further this old gold producer this year in an effort to solve the faulting of the vein system, which caused the property to suspend operations several years ago, after producing $750,000 in gold. A small ball mill, installed last year, is to be put into service to bulk sample the ore and this season promises to see an aggressive programme undertaken.

McMillan Gold Mines — Further equipment for the company's new 100-ton mill has been purchased from the Errington mine and foundations for the mill are to be started as soon as weather permits. A power right of way from Espanola is being cut.

Paymaster Consolidated — A progress report by E. H. Walker, vice-president of the company, advises that the Heinze shaft is to be further deepened from the 300 ft. level and two more levels on the vein opened up to prospect ore indicated by diamond drilling. Partially blocked-out ore from this shaft is given at 22,092 tons averaging .36 oz. gold per ton.

In addition, diamond drilling has started on the section of the company's property adjoining the Buffalo-Ankerite Mines.

The fiscal agents are reported to have met every monthly payment under the terms of their agreement and on February 15, $54,000 was in the company's treasury.

San Antonio Mines—An early increase in the milling capacity of San Antonio is assured with the shipment of the new Allis-Chalmers, Ball-Peb mill, which was made last week. Affiliated equipment is understood to be ready and a doubling up of capacity assured next month.

Salmon Gold Mines—Shareholders of Salmon Gold Mines have agreed to the Consolidated Mining & Smelting Co. purchasing 60 per cent of the total share capital. A new board of directors was elected which includes Brig. Gen. J. Duff Stuart, W. M. Archibald, M. M. O'Brien, E. C. Morris and E. G. Langille. The company's property is situated about eight miles north of Big Missouri in the Portland Canal district of B.C.

Tashota Goldfields—A three ft. by eight ft. ball granulator—Allis-Chalmers — has been purchased for the company's property in the Thunder Bay district at Tashota, Ontario.

Ventures Ltd.—An option has been taken on the Fleming-Thompson group of 29 claims in Destor township, Quebec, where surface exploration and diamond drilling is to be undertaken.

Wallace Lake Gold Mines—Over the counter trading has been active in the shares of this company formed in January of this year to develop a group of nine claims east of the San Antonio property. A 2,000 ft. diamond drill contract was recently let and an option on 1,000,000 shares to a Toronto group is providing funds for development. Theodore A. Sparks of Winnipeg is president.

Steam Test Mill Shipped To Claims Near Sherridon

G. H. Clare & Co. of Saskatoon has just purchased a ten ton Tremain steam stamp mill for its property about four miles from Sherridon, the Hudson Bay Railway terminus of the Sherritt-Gordon branch. The company's property is known as the White Star, Hazel and Lucky Strike group of claims.

Talisman Gold Mines Has Small Test Mill

Talisman Gold Mines, incorporated in July last year to acquire gold property comprising some six claims about twelve miles east of Matheson and two miles from the old Croesus property, is conducting active exploration work. The company's holdings were formerly held by the Gardner Guibord Gold Mining, which, several years ago, sunk a shaft to the 100 ft. horizon and did some lateral work without encountering the rich surface vein traced some 600 ft. on the surface. At present effort is directed toward picking up this vein at depth. A three stamp mill from the Croesus property has been moved to the Talisman to bulk-sample the ore encountered. J. E. Grant of Haileybury is president of the company.

New Turner Valley Map

With an intensive drilling campaign centring about the southern extension of the Turner Valley field in Alberta a recent map prepared by George R. Elliott, petroleum engineer and geologist of Black Diamond, Alberta, is timely. Not only are the various drilling locations and leases shown, but also the surface geology is delimited in colors.

Silver Output Down

Silver production in Canada in December amounted to 1,086,434 oz., bringing the total production for 1933 to 14,939,404 as compared with 18,347,907 oz. in 1932.

Mining Stock Quotations

Week Ending March 3.

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Feb. 28 (or last)	High for week	Low for week	Close Mar. 5
1	.06	.01	Aconda	48,800	.02½	.02½	.02	.02½
No	.22	.13	Aldermac	32,600	.18½	.20	.14	.20
1	.10	.02½	Alexandria	142,100	.06½	.08	.06	.08
No	.03½	.01½	Algoma	25,000	.02½	.02½	.02½	.02½
1	.02½	.00½	Algonquin	1,000	.02	.02	.02	.02
1	.03	.01½	Amity Copper	27,500	.03	.02½	.02½	.02½
No	3.50	2.00	Anglo-Huronian	944	3.00	3.50	3.05	3.50
1	.06½	.03	Area	47,100	.05½	.06	.04½	.05
No	.20	.03½	Arno	28,800	.05½	.08	.06	.08
1	1.25	.90	Ashley	117,585	1.13	1.25	1.08	1.20
1	.08	.04	Bagamac	42,900	.05½	.06½	.05½	.06½
1	.01½	.00½	Baldwin	32,000	.01½	.01½	.00½	.01½
1	.17½	.12½	Barry Hollinger	79,425	.15½	.17	.15	.17
1	1.95	1.48	Base Metals	7,615	1.80	1.85	1.75	1.79
5	.91	.45	B. E. A. R.	241,625	.72	.72	.64½	.70
1	.51	.32½	Big Missouri	37,653	.41	.42½	.38	.42
1	.54	.23	Bobjo	603,175	.44	.54	.42	.52
No	11.90	9.90	Bralorne	5,030	11.00	11.40	10.70	11.40
	.90	.42½	Do., Rights	10,125	.46	.47	.42½	.46
1	.16	.12	Brett Trethewey	20,100	.13	.15	.13	.14
50c	.80	.28½	Bridge River Ex.	12,250	.72	.78	.71	.78
1	.03	.01½	Brownlee	59,500	.02½	.02½	.02	.02½
1	.01½	.00½	Buckingham	8,000	.01½	.01½	.01½	.01½
No	.14	.06½	Buffalo Can.	160,700	.09½	.14	.09½	.12
5	30.75	23.50	Bulolo	712	28.00	30.00	27.75	29.00
No	.02½	.01½	Bunker Hill	102,700	.01½	.02	.01½	.03
5s	1.10	1.10	B'Wana McKubwa	.....	.....	1.10	.....	.....
No	.02½	.02½	Canam Metals	.....	.02½	.....	.....	.....
1	.12	.07½	Can. Kirkland	271,783	.08½	.12	.08½	.11½
No	.58	.38	Can. Malartic	23,200	.45	.45	.40	.45
1	.02½	.00½	Capital Rouyn	442,400	.01½	.02½	.01	.02½
1	2.85	2.25	Cariboo Gold	2,125	2.40	2.45	2.35	2.40
1	.04½	.01	Cartier Malartic	31,250	.04	.04	.03½	.04
1	.75	.49	Castle Trethewey	69,490	.74	.73	.65	.71
1	.14½	.07	Cen. Manitoba	19,200	.08½	.09½	.08½	.09½
1	.67	.54	Cen. Patricia	167,775	.62	.67	.60	.65
No	.12½	.05½	Chibougamau Pros.	683,500	.09	.12½	.08½	.11½
No	.15½	.09	Church. M. & Mill.	32,300	.12	.12	.10	.11
No	.02½	.01½	Clericy	50,000	.02	.02½	.02	.02
1	.02	.01	Clifton Cons.	3,500	.01½	.02	.01½	.02
5	5.50	4.00	Coast Copper	1,235	4.75	5.00	4.50	4.95
1	.06½	.04½	Cobalt Contact	51,600	.05½	.05½	.04½	.05½
1	.80	.55½	Columario	98,450	.78	.80	.77	.80
5	2.05	1.35	Coniagas	3,063	1.60	2.05	1.60	2.05
No	1.55	.97	Coniaurum	34,303	1.30	1.50	1.28	1.48
25	160.00	132.00	Cons. Smelters	2,969	150.00	160.00	149.00	160.00
No	37.50	32.25	Dome Mines	12,235	34.75	37.50	34.75	37.50
No	.07½	.04	Dom. Explorers	90,983	.06½	.06	.04	.04½
1	.01½	.00½	Dominion Kirk.	11,000	.01½	.01½	.01	.01½
1	.02	.00½	Don Rouyn	.....	.00½	.....	.....	.....
1	.02	.01	Duparquet	7,500	.01½	.01½	.01	.01
1	3.95	3.25	Eldorado	40,025	3.55	3.80	3.46	3.78
No	3.65	3.00	Falconbridge	6,711	3.42	3.50	3.25	3.50
1	.03	.01½	Federal	303,700	.02	.03	.02½	.04½
No	.04½	.02½	Gilbec	74,400	.04	.04	.03½	.03½
No	1.13	.70	God's Lake	143,545	.88	1.13	.88½	1.10
1	.15	.08	Goldale	185,148	.11	.15	.11	.15
10	.47	.15	Goldfield	15,000	.33	.38	.33	.35
1	.21	.11½	Goodfish	113,511	.16	.21	.15	.20
1	.09	.02½	Graham	68,500	.07½	.08½	.07	.08½
1	.80	.62	Granada Gold	80,885	.67	.80	.65	.77
1	.07	.05	Grozelle	1,500	.05½	.07	.05½	.07
1	.38½	.30	Grull Wihksne	.....	.34	.....	.....	.....
1	.42½	.30	Halcrow Swayze	109,330	.39½	.42½	.39	.42½
1	.10½	.03	Harker	322,500	.06½	.10½	.03½	.10
1	.01½	.03½	Hilltop	14,000	.01	.01	.01	.01
5	16.40	11.40	Hollinger	61,843	14.00	16.40	13.85	16.30
1	1.35	.93	Howey Gold	244,235	1.20	1.35	1.20	1.30
No	12.00	9.00	Hudson Bay	5,951	10.15	12.00	10.00	12.00
1	14.25	10.45	Inter. Mining	453	12.50	12.65	12.20	12.65
	5.15	4.00	Do. Pur. Warr.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
No	24.35	21.15	Int. Nickel	42,953	23.15	24.35	23.20	24.35
1	.07	.03	Jackson Manion	157,700	.05	.05	.03	.03½
1	.03	.00½	Keora Mines	33,500	.02	.02	.01½	.02
1	.53	.43	Kirk. Hud. Bay	3,670	.48	.50	.45	.48
1	.02	.00½	Kirk. Hunton	131,000	.01½	.02	.01½	.01½
1	.38	.22	Kirkland Lake	83,250	.33	.38	.30	.37
1	.05	.03	Kirkland Premier	33,000	.03	.05	.03½	.04½
1	.31	.21	Kirk. Townsite	23,900	.29	.30	.28	.29
20c	.02½	.01½	Kost. Florence	8,000	.02	.02	.02	.02
1	.23	.11	Lakeland	92,220	.22	.23	.18	.20
No	.11½	.07	Lake Maron	177,800	.09½	.09½	.08½	.09½
1	47.50	42.00	Lake Shore	5,323	45.00	47.50	44.80	47.50
No	.18½	.08	Lebel Oro	53,175	.14½	.14½	.12	.12½
No	.17½	.12	Lee Gold	65,500	.17½	.17½	.16	.16½
1	2.42	1.85	Macassa	70,387	2.12	2.42	2.30	2.35
1	.04½	.01½	Malrobic	123,620	.03½	.04	.03½	.04
No	.15	.03	Mandy	17,835	.13	.13	.13	.13
No	.04	.03	Manitoba Basin	77,300	.03½	.04½	.03	.03½
5	43.50	39.25	McIntyre	10,530	40.00	43.50	40.00	43.50
1	.50	.50	McKinley	.....	.50	.....	.....	.....
No	.03½	.01½	McLeod River	33,200	.03	.03	.02½	.02½
1	.54	.39	McMillan	62,850	.45	.54	.45	.54
No	.50	.33	McWatters	76,550	.43	.47	.37	.44
1	1.21	1.03	McVittie	83,200	1.10	1.21	1.19	1.17
5	1.50	1.50	Menter Exp. & Dev.	100	.....	1.50	1.50	1.50
No	2.32	1.80	Mining Corp.	6,400	2.20	2.21	2.12	2.15
1	.08½	.02½	Moffatt Hall	531,550	.04	.08½	.03½	.08½
1	.20	.08½	Moneta	57,333	.15	.20	.15½	.17½
1	.05	.03½	Moss	.....	.05	.....	.....	.....
1	.02½	.01½	Murphy	34,600	.02	.02½	.02	.02
No	.05½	.03	Newbec	14,100	.04	.04	.03	.03½
1	.08	.03	Night-Hawk Penn.	18,800	.05½	.05½	.04½	.05½
5	2.85	2.30	Nipissing	7,378	2.60	2.75	2.60	2.63
No	38.25	33.25	Noranda	30,783	34.75	38.25	34.65	38.10
No	.36	.20	Nor. Canada	17,200	.30	.36	.29	.33
1	.19	.11	Osisko	2,300	.15	.16	.15	.16
1	.65	.36	Parkhill	263,585	.53	.65	.49½	.64
1	.02½	.01½	Pawnee Kirk.	13,550	.02	.02½	.01½	.01½
1	.25	.11	Paymaster	67,820	.24	.25	.24	.24
1	1.18	.75½	Pend Oreille	11,835	1.02	1.18	1.00	1.15
1	.05	.02½	Peterson Cobalt	10,000	.03½	.03½	.03½	.03½
1	12.75	10.75	Pioneer Gold B.C.	2,285	11.50	12.00	11.30	12.00
1	.03½	.01½	Porcupine Crown	49,500	.02½	.03½	.02½	.02½
1	.02	.00½	Potter Doal	11,000	.01	.01	.01	.01
1	1.74	1.02	Premier Gold	152,120	1.35	1.74	1.35	1.60
1	.02½	.01½	Preston E. Dome	6,500	.02	.01½	.01½	.01½
No	.51	.30	Prospectors Air's	1,330	.40	.51	.45	.51
No	.13½	.05	Quemont	2,000	.10	.13½	.13½	.13½
1	.55	.27	Read Authier	44,330	.50	.55	.45	.51
1	1.29	.87	Reno	41,550	1.17	1.23	1.15	1.23
1	.01½	.00½	Ribago	12,900	.01½	.01½	.01½	.01½
1	.02½	.01½	Ritchie	5,500	.02	.02	.02	.02
1	.05	.02½	Robb Montbray	53,470	.03	.05	.03	.04½
1	2.95	1.75	San Antonio	85,515	2.55	2.95	2.53	2.75
1	1.23	.99	Sherritt Gordon	40,972	1.13	1.23	1.13	1.23
1	2.25	1.43	Siscoe	217,730	1.92	2.25	1.91	2.21
1	.05	.02½	South Keora	27,900	.03½	.05	.03½	.04½
No	.36½	.10	South Tiblemont	39,430	.10½	.11	.10	.11
No	.18½	.08½	Stadacona	144,140	.18	.18½	.16	.17½
1	.49	.31	St. Anthony	175,500	.34½	.49	.31	.45
No	1.75	1.00	Sudbury Basin	6,585	1.53	1.65	1.53	1.65
1	.14½	.07	Sudbury Contact	34,800	.12	.14	.11	.14
1	.03½	.01½	Sudbury Mines	142,530	.02½	.03	.02	.02½
No	.18	.18	Sudbury Nickel	.....	.18	.....	.....	.....
1	.35	.25	Sullivan	45,925	.30½	.31	.30	.30
1	2.79	1.95	Sylvanite	106,255	2.40	2.79	2.40	2.65
1	6.70	5.75	Teck Hughes	147,113	5.85	6.70	5.80	6.70
1	.49	.25	Thom. Cadillac	142,749	.38½	.49	.38	.49
1	.40	.25	Towagmac	7,355	.35	.40	.32	.40
1	.85	.35	Treadwell	1,200	.70	.85	.65	.85
1	.20½	.13	United Kirkland	.....	.18	.....	.....	.....
No	.02½	.01½	Vacuum Gas	27,000	.02	.02½	.01½	.01½
No	1.10	.77	Ventures	89,515	.94	1.05	.91	1.03
1	.03	.01½	Vickers	49,520	.02½	.02½	.02	.02½
No	1.45	1.12	Waite Amulet	10,478	1.25	1.30	1.20	1.28
50c	.50	.40	Wayside	109,200	.44	.48	.41	.45
No	.41	.31½	White Eagle	70,550	.37	.38	.35	.36
1	.07½	.03½	White Lake	35,000	.04½	.06	.04	.05½
1	.14½	.07	Wiltsey Coughlan	46,600	.11	.14½	.10½	.13½
1	.10	.05	Wood Kirkland	3,200	.09½	.08	.08	.08
No	8.60	6.75	Wright-Hargreaves	97,767	7.30	8.60	7.20	8.60
			OIL STOCKS					
No	.30	.17	Acme Gas & Oil	341,500	.25	.30	.24½	.28
1	.09	.09	Admiral	1,000	.09	.09	.09	.09
1	1.60	1.02	Ajax	35,125	1.46	1.54	1.40	1.44
1	.25½	.15	Alta. Pacific	2,528	.19	.20	.19	.20
1	.15	.12	Amalgamated	14,100	.12	.13½	.13	.13
1	.08	.04½	Anaconda	5,000	.06½	.06½	.05½	.05½
No	.12	.06	Askalta	9,050	.11½	.11½	.09½	.10
No	.35	.20	Associated	4,800	.30	.30	.30	.30
1	.13	.06½	Baltac	800	.08	.08	.08	.08
No	1.27	.95	Calgary & Ed.	2,475	1.15	1.18	1.10	1.15
1	.15	.11	Calmont	4,900	.13½	.13½	.12	.13
1	.12	.06	Common Pete.	3,500	.11	.11	.10½	.11
No	.65	.50	Dalhousie	2,405	.59	.59	.56	.56
No	.08½	.04½	Devenish	1,650	.06	.06	.06	.06
No	.30	.21	East Crest	5,400	.25	.25	.21	.25
1	.20	.11	Erie Gas	2,500	.11	.18	.14	.18
No	.01	.00½	Fabyan Pete.	106,400	.01	.01	.00½	.01
No	.75	.40	Foothills	330	.50	.60	.50	.60
No	.16½	.10	Freehold	5,175	.13½	.14	.13	.13
1	.11½	.05	Hargal	3,500	.09	.09	.08½	.08½
No	.15½	.08	High Sarcee	3,500	.15½	.15½	.15	.15½
No	1.90	1.50	Home	8,270	1.71	1.72	1.65	1.66
1	.05	.03	Homestead	3,700	.03	.03½	.03	.03
1	.15	.13	Homestead O. & G.	3,600	.14½	.14½	.14	.14½
1	.44	.20	Lowery	1,500	.33	.37	.33	.35
No	.05	.03½	Madison	51,450	.04	.04	.04	.04
No	.35	.14	Marjon Oil	7,850	.22	.23	.22	.22
No	.05	.04½	McD. Segur Ex.	2,750	.05	.05	.04½	.04½
1	.47	.35	McLeod	.....	.42	.....	.....	.....
No	.22	.15	Mercury	9,610	.17½	.18½	.17	.18
No	.25	.14	Merland	4,200	.21	.22	.21	.22
1	.35	.25	Midwest Oil	500	.31	.31	.31	.31
No	.22	.16	Mill City Pete.	20	.18	.18	.18	.18
1	.13	.09	Model	3,650	.10	.11	.10	.10
5	.14	.09	Nordon	13,000	.11	.11½	.11	.11
No	.09	.05	Oil Selections	145,650	.06	.07	.06	[illegible]
No	.16½	.06½	Okalta	20,800	.10	.11½	.10½	[illegible]
100	29.00	20.00	Do., pref.	.....	20.00	.....	.....	.....
No	.34	.21	Olga Gas & Oil	12,400	.24	.25	.23	[illegible]
	.17	.07	Pacalta Oil	4,500	.12	.12½	.12	[illegible]
1	1.10	.75	Petrol Oil & Gas	.....	.90	.....	.....	.....
No	19.55	17.25	Royalite	832	18.00	18.00	17.25	18.00
1	.10	.07½	Sarnia Oil	4,300	.09	.08½	.08	[illegible]
No	.17	.10	South West Pete.	600	.12	.12	.10	[illegible]
1	.35	.23	Spooner	750	.35	.35	.33	[illegible]
No	.70	.60	Sterling Pacific	4,675	.65	.69½	.65	[illegible]
No	.11½	.07½	United	8,500	.09	.09½	.09	[illegible]
No	.25	.11	Vanalta	500	.24	.22	.22	[illegible]
1	.20	.20	Vulcan	.....	.20	.....	.....	.....
1	.22	.20	Wellington Oil	.....	.20	.....	.....	.....
No	.97	.77	Wainwright West	16,750	.97	.83	.80	[illegible]

VANCOUVER STOCK EXCHANGE
(Transaction for Week to February 26.)

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Feb. 19 (or last)	High for week	Low for week	Close Feb. 26
1	.09½	.04½	Alexandria Gold	23,600	.08	.08	.07	.07
25c	.08½	.01	Bayview	19,500	.03½	.05½	.03	.03
20c	.08½	.05½	Beaver Silver	6,450	.07½	.07½	.06½	.07
25c	.06½	.04	Big Slide	.....	.04	.....	.....	.....
25c	.03	.02	Bluebird	1,000	.02	.02½	.02½	.02½
1	1.35	.83	Bradian	10,279	.90	1.35	.87	1.20
No	11.65	9.85	Bralorne	3,490	11.25	11.25	10.85	11.00
1	.44	.20	Bridge River Cons.	14,750	.38	.39	.37	.38
50c	.80	.28	Bridge River Exp.	36,700	.73	.75	.70	.71
	.27	.25	B. R. Mountain	5,500	.....	.27	.25	.27
100	99.00	99.00	B. C. Electric, pfd.	.....	99.00	.....	.....	.....
1	.92	.51½	B. C. Nickel	64,175	.89½	.91	.74	[illegible]
1	1.10	1.00	B. C. Silver	.....	1.00	.....	.....	.....
50c	.28	.20	Butte I. X. L.	22,050	.28	.28	.28	.28
1	2.90	2.00	Cariboo Gold	11,475	2.35	2.50	2.30	2.38
No	10.00	8.75	Coast Breweries	278	9.50	9.25	8.75	9.25
	.32	.21	Congress Gold	13,400	.25	.30	.26	.26
25c	.02	.01	Cork Province	16,000	.02	.02	.01½	.01½
1	.04	.01½	Dalhousie Mines	11,500	.02½	.03	.02½	[illegible]
	.08½	.06	Dawson Gold	5,100	.06½	.06½	.06	.06
No	.64	.25	Dentonia	33,750	.60	.60	.55	.58
1	.45	.28	Dunwell	10,260	.35	.40	.35	.38
1	.42	.31	George Copper	.....	.42	.....	.....	.....
50c	.02½	.02	Geo. Enterprise	.....	.02	.....	.....	.....
1	.04½	.02½	Georgia River	80,850	.04	.04½	.03½	.03½
50c	.08	.01	Glacier Creek	25,400	.08	.08	.06	.07
1	.63	.45	Golconda	23,440	.61	.63	.51	.51
50c	.50	.27	Gold Belt	14,100	.46	.46	.46	.46
No	.27	.16	Grange Mines	10,143	.26	.27	.25	.25
	.42	.41	Gold Mountain	4,250	.....	.42	.41	.41½
50c	.06	.04	Grandview	23,100	.05½	.05½	.05	.05
1	.40	.28	Grull Wihksne	4,350	.34	.33	.32	.32
1	.07	.05	Hercules Cons.	135,700	.06½	.06½	.06	.06
No	.23	.07	Home Gold	65,875	.21	.23	.21	.21½
	.16	.14	Maida Gold	4,000	.....	.16	.14	.14
1	.02	.01½	Independence	20,000	.01½	.01½	.01½	.01½
1	.04	.01½	Indian Mines	2,000	.04	.03½	.03½	.03½
1	.14	.12	Inter. Coal	.....	.12	.....	.....	.....
50c	.24	.19	Kootenay Belle	200	.22	.20	.20	.20
25c	.02	.01	Kootenay King	8,000	.02	.02	.01½	.01½
25c	.01½	.00½	L. & L. Cons.	72,800	.01½	.01½	.00½	.01
1	.01½	.00½	Lakeview	28,000	.01½	.01½	.01	.01
10c	.06	.05	Lucky Jim	3,000	.06	.06	.05	.06
50c	.01½	.00½	Marmot Metals	144,000	.01	.01½	.00½	.01
10c	.33	.22	Meridian Min.	60,350	.25½	.27	.23½	[illegible]
No	.24	.11	Mak Siccar	13,600	.22	.24	.21	[illegible]
5c	.04	.04	Metaline Metals	.....	.04	.....	.....	.....
No	.35	.13	Minto Mines	82,630	.33	.34½	.29½	.31
50c	.13½	.05½	Mogul Min.	8,600	.10	.13	.12	.13
	.01½	.00½	Mohawk	86,000	.00½	.01½	.00½	.01
50c	.38	.20	Morning Star	80,400	.35½	.38	.34½	.38
	.27	.27	Mont'y Ackerman	500	.....	.27	.27	.27
1	.05½	.01	Morton Woolsey	16,250	.03½	.03	.02½	.02½
1	.13	.05	Native Sons	28,400	.08½	.08½	.06½	.06½
50c	.09	.04	National Silver	25,800	.06½	.06½	.05½	.05½
50c	1.36	.82	Nicola	70,325	.90	.95	.82	.87
50c	.16½	.11	Noble Five	75,500	.16½	.16½	.15	.16½
1	.54	.12½	Pavilion	14,700	.52	.54	.50	.50
1	12.75	11.00	Pioneer Gold	455	12.15	12.00	11.75	11.75
50c	.18	.10	Porter Idaho	24,600	.16	.17	.14½	.14½
No	.02½	.01½	Premier Border	56,300	.02½	.02½	.01½	.01½
No	.25½	.16	Princess Royal	100	.18	.18	.18	.18
1	.04½	.03	Quatsino Copper	1,500	.04½	.03½	.03½	.03½
50c	.18	.12	Red Hawk	6,600	.14½	.17	.16	.17
No	.22½	.10	Reeves McDonald	5,100	.20	.20	.18	.20
.01	.18½	.10	Reliance	6,900	.16½	.17	.16	.16
1	1.25	.87	Reno Gold	8,800	1.09	1.15	1.10	1.13
1	.15	.09½	Reward Mining	23,600	.12	.12	.10	.10
1	.03½	.01½	Rufus Argenta	5,400	.03½	.03½	.03	.03
1	.04½	.03	Ruth Hope	12,800	.04	.04½	.03½	.04½
1	.55	.37	Sally Mines	4,700	.53	.55	.50	[illegible]
	.33½	.27	Salmon Gold	37,600	.30½	.33½	.30	.30
1	.09	.05	Silverado	2,800	.08½	.08	.06½	.06½
25c	.04½	.02½	Silver Crest	22,700	.03½	.04	.03	.03
20c	.10	.04	Silversmith	35,800	.08½	.10	.08	[illegible]
50c	.03½	.01½	Snowflake	20,500	.02	.02½	.02½	.02½
25c	.04	.02	Sonora	.....	.04	.....	.....	.....
1	.40	.28	Standard Gold	6,600	.37	.40	.35	.35
1	.28	.20	Sunloch	.....	.28	.....	.....	.....
10	6.30	4.75	Sunshine	1,000	6.20	6.15	6.15	6.15
No	.77	.50	Taylor Bridge	10,250	.69	.69	.68	[illegible]
25c	.05	.04	Thurlow Gold	2,000	.04½	.04½	.04	.04½
5	.25	.20	Toric	150	.22	.25	.22	.22
50c	.23	.04½	United Empire	25,500	.25½	.25½	.23	.23
No	2.50	1.40	Vidette Gold	3,850	2.14	2.28	2.10	2.20
No	.27½	.20	Waterloo Gold	17,300	.26½	.25	.20	.20
25c	.04½	.03½	Waverly Tangier	268,100	.03½	.03½	.03	.03
50c	.47	.39	Wayside	150,100	.39	.47	.40	.43
20c	.03½	.02½	Wellington	4,000	.03½	.03½	.02½	.03
No	.42	.30	White Eagle	4,200	.40	.42	.37	.37
1	.10½	.06½	Whitewater	18,700	.10	.10	.08	.08

DIVIDEND PAYERS

Company	Rate	Yield %	Company	Rate	Yield %
Ajax Oil	8c.	5.55	Mercury Oils	4c.	.....
Bralorne	50c.	.....	Merland Oils‡*	5c.	.....
Bulolo Gold‡	60c.	.....	Model Oils	3c.	.....
Coast Brew	92c.	9.94	Noranda‡	$1	.....
Coniagas‡	12½c.	.....	Petrol Oil‡*	1c.	.....
Cons. Smelters	1.50	.....	Premier	12c.	7.10
Dome Mines	1.25	.....	Pioneer, B.C.	60c.	5.00
Falconbridge	5c.	.....	Royalite*	$1	.....
Goldfield Cons.‡*	5c.	.....	San Antonio†	5c.	.....
Hollinger	65c.+20c.	5.21	Siscoe	12+2c.	6.34
Howe Sound	$3	.....	Sterling Pacific Oil‡	2½c.	.....
Int. Coal & Coke‡	2c.	.....	Sunshine Min.	5+7c.	.....
Inter. Nickel, c.	10c.	.....	Sylvanite	10+5c.	5.66
Lake Shore	$2+$1	6.31	Teck-Hughes	60c.	8.95
McIntyre	1.62½	3.73	Wright-Har.	40+5c.	5.39

‡Interim. †Initial. *Paid in 1933.

Unlisted Mining Stocks

March 6, 1934

Company	Bid	Ask	Company	Bid	Ask
Adanac Gold	.31	.34	Lamaque Gold	.80	.90
Algoma M. & F.	.15	.17½	Little Long Lac.	1.80	1.88
Arntfield Gold	.75	.85	McCarthy Webb.	.13	.15
Arntfield Synd.	.65	.75	Mackenzie Red Lake	.34	.37
Astoria Rouyn	.02½	.03½	McL. Cockshutt	.30	.33
Bathurst	.03	.04½	Makwa Cham.	.29½	.32
Beattie	1.25	1.35	Manco Gold	.25	...
Bidgood	.02½	.03	Man. & Eastern.	.21½	.24
Bloom Lake	.24	.29	Maple Leaf M.	.67	.70
Buff. Ankerite	1.75	1.83	Matachewan Can.	.17	.20
Bussieres Min.	..	.40	Mecca Gold	.20	.25
Can. Pandora	.27	.29	Metals Develop.	.04	.06
Can. Radium	.06½	.10½	Minefinders	1.30	1.50
Canusa Mining	.07	.10	Martin-Bird Un.	14.00	16.00
Can. Coronada	.24	.28	N.A.M.E. Units	5.00	...
Casey Summit	.45	.58	Normetal Mine	.50	.60
Clover G. Units	18.00	20.00	Northl'd Pros.	...	400.00
Cochenour-Wil.	20.00	30.00	N. Tiblemont Un.	...	10.00
Columario (old)	.33	.37	O'Connell Gold	...	.50
Continental Kirk.	.05	.07	Oro Grande Dev.	...	.50
Crown Reserve	.03	.05	Peninsular Pet.	.00½	.01
Delta Units	30.00	50.00	Pickle Crow	.62	.65
Dorval Siscoe Units	...	13.00	Pontiac Rouyn	.50	.55
Dunlop Cons.	.01	.02	Que. Eureka Un.	7.00	12.00
Eagle Oil	...	1.50	Quebec Pros.	2.50	...
Echo Bay Expl.	...	.35	Queen Lebel	.04	.06
Edgecreek Un.	10.00	15.00	Silveradium Un.	70.00	85.00
Gachin G. Un.	9.00	11.00	Silver Valley	...	.20
Galatea Units	30.00	50.00	Smelter Gold	.28½	.30
Glenora Gold	.28	.35	Sourdough Un.	5.00	10.00
Goldside Units	43.00	50.00	Sun Bear	...	.20
Gr. Bear Lake	.44	.49	Sunorca Explor.	1.35	1.40
Gunnar Gold	.95	1.00	Swayze Contact	...	.16
Herbin Lake Un.	12.00	15.00	Tashota Gold	.04½	.05½
Horseshoe	.05	.09	Tiblemont Island	.15	.20
Huronian M.	.50	...	Titurno Units	20.00	23.00
Island Lake	.03½	.05½	Toburn	1.29	1.35
Johnson Nipigon	.25	.30	Tyrrell Tp. McN.	...	40.00
Keeley	.50	...	Vipond	.50	...
Kenty Gold	.90	1.00	West McW. Units	5.00	9.00
Kirk. Gold	.22	.28	Wasdigo	.30	.40
Lake Geneva	.12	.17	Young Davidson	.47	.53
			Young Munro	.10	.13

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

The Week in Mining

Hon. Chas. McCrea Feted

THE outstanding event in the social affairs of the Ontario mining fraternity occurred on March 5 at Toronto when at a complimentary dinner given to the Hon. Chas. McCrea an oil portrait, painted by E. Wyly Grier, was presented as a mark of the esteem in which Mr. McCrea has been held in his ten years as Ontario Minister of Mines.

Officially tendering the tribute to Mr. McCrea was the Canadian Institute of Mining & Metallurgy, The Ontario Mining Association and the Ontario Prospectors' & Developers' Association. Among the 500 guests present were included the outstanding personages of Ontario's mining industry, prominent citizens and government officials including Premier George S. Henry who responded to the toast to the mining industry.

Within two years' time, said Mr. McCrea, Ontario's gold output, which last year was valued at $59,000,000, will have reached the $100,000,000 mark. Mining, he said, is the "sheet anchor of Canada's financial prestige."

* * *

Maple Leaf Mines Listed

SHARES of Maple Leaf Mines will be called for trading on the mining section of the Toronto Stock Exchange on March 12.

The company, incorporated in 1929 with a capitalization of $3,000,000 in $1 par value shares, operates principally as a holding and exploration company whose principal interest is option on control, or 2,500,000 shares, in Casey Summit Gold Mines, which shares have been continuously taken up as money has been provided for the development of this property.

The success that has attended the development of the Casey Summit property has aroused considerable interest in this section of the Patricia district and the attractiveness of the showings was further evidenced recently when Coniagas Mines acquired a substantial but unstated interest in the property by purchasing treasury shares of Casey Summit through an agreement with Maple Leaf Mines.

Announcement was made recently that a 50-ton daily capacity Allis-Chalmers mill, employing the amalgamation process, has been purchased for installation this summer.

As at February 10, the date of filing listing papers, some 2,300,000 shares out of the 3,000,000 shares authorized of Maple Leaf Mines had been issued. A firm underwriting agreement for 500,000 further shares at 40 cents each was also outstanding, a large proportion of which, it is understood, has since been taken up.

Of the 2,300,000 shares outstanding some 1,035,000 shares have been issued to Mid-Canada Exploration Co. as vendors of various properties and options now held by Maple Leaf. In addition, 150,000 shares have been issued to Carl Erickson, engineer for the company.

According to the terms of the listing papers none of the vendors nor Mr. Erickson's shares will be released from escrow until such time as $200,000 has accrued to the company's treasury from the sale of the 500,000 shares under the underwriting agreement. When the terms of this agreement have been completed 50,000 vendors' shares will be released. In 30 days a further release of 50,000 shares will be made; 100,000 in sixty days and 100,000 in 120 days, following the initial release.

It is understood that close to 1,000,000 shares out of the 2,500,000 shares of Casey Summit under option have been taken up and paid for.

Canadian Mining News

FORTY-FOUR GOLD DRILLING EXTENDS SAN ANTONIO ZONE

Plans Call For Shaft Sinking as Soon as Power Arranged

By Staff Editor

WINNIPEG.—Results of diamond drilling in February at the Forty-Four Gold Mines, adjoining the San Antonio Gold Mines in the Central Manitoba area, have not only confirmed the easterly extension of the basalt in which the productive viens are located but also have given encouraging assays that give promise of a vein system similar to that of more recent developments at San Antonio. The encountering of a mineralized zone on the Forty-Four property is regarded as evidence of the extension of San Antonio's new main vein eastward for a further 1,200 feet. On the 300-ft. level this new vein has been steadily extended and now has been drifted on for about 700 feet all in ore.

The Forty-Four property comprises some 11 claims and fractions on which two diamond drills have been working through the ice for over a month. Six holes have been put down more or less to test the structure. The last hole showed 10 feet of finely mineralized quartz which is now being assayed.

To Install Power

J. D. Perrin, president of the company, plans securing transformers to step down the power from the main San Antonio transmission line, and then to install a compressor that a shaft may be started this summer. Lumber for a camp is on order and as soon as weather conditions permit construction will be started.

The present capitalization of the company is $150,000 in $1 par value shares of which 100,000 shares have been issued, including 50,000 for properties. The stock is very closely held by interests closely associated with San Antonio Mines, including 10,000 shares by the San Antonio.

If anticipations are confirmed by development, the capital will be increased to $250,000 and 50,000 shares offered to the public. Presently a little trading is being done in the shares at around $3 per share, a price which seems high until it is realized that the capitalization is so low that it is about equivalent to nine cents per share with companies capitalized at 5,000,000 shares.

WINTER HAULAGE PRESENTS PROBLEM FOR NORTH MINES

God's Lake Gold Mines Adds Equipment to Speed Programme

Advice from God's Lake, Northern Manitoba, is to the effect that God's Lake Gold Mines property has been the only one fortunate in getting in its supplies over the winter roads. To date some 360 tons out of the 1,000 tons to be hauled have been successfully transported to the company's property. These supplies are being hauled in over the winter road from Illford on the Hudson Bay Railway, 182 miles from the property. Of this route some 52 miles is over lakes that provide the worst transportation difficulties in many years, owing to the heavy and early fall of snow that has prevented ice forming to support heavy tractor loads.

Tomlinson Construction Co., which has a contract for taking in the 1,000 tons to the God's Lake property, has six 60-ton Holt-Caterpillar tractors and four Lynn tractors. In order to speed the programme five new 60-ton Holt-Caterpillar tractors have been ordered.

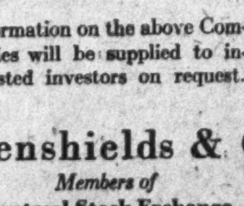
Season Very Bad

It is claimed that this season has been the worst known for winter transportation. Many programmes have been held up and this is giving serious concern to operating companies for fear that the supplies will not reach their destination. In the Patricia district very much the same conditions prevail. It is understood that the Central Patricia Mines has had its programme seriously interfered with and that the ball mill and other equipment that went through Whitethroat Lake last winter and salvaged last summer, is still on the banks of the Whitethroat Lake waiting for more favorable transportation conditions.

Dome Dividend 50 Cents for Quarter

Dome Mines has declared, in addition to its regular quarterly dividend of 25 cents per share, a bonus of 25 cents per share, both payable in U. S. funds on April 30, to shareholders of record March 31, 1934.

This is the same as the quarterly dividend paid on February 1 last, and brings the dividend disbursement to $1 for the two quarterly periods of 1934 as compared with $1.80 paid for the whole of 1933 and $1.30 in 1932.



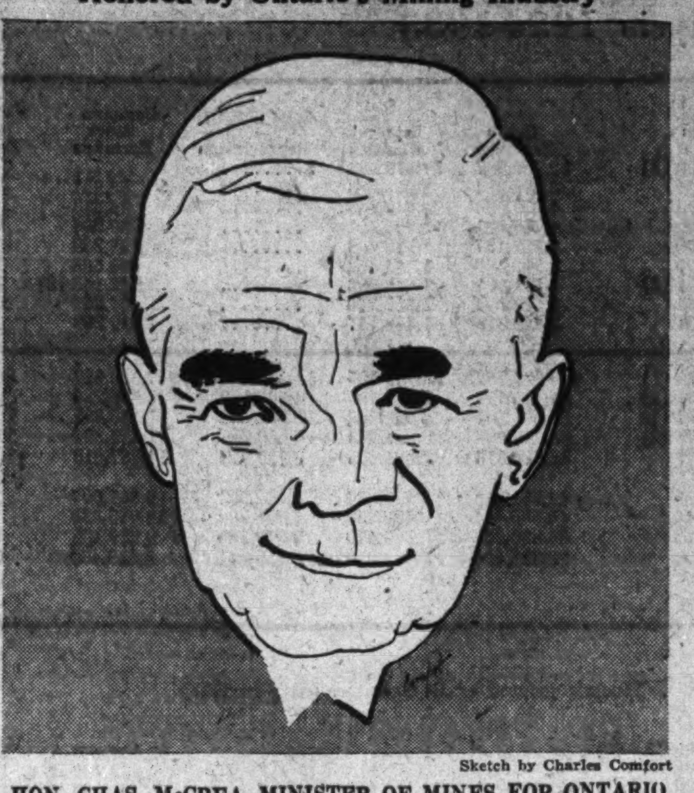
Bulolo Gold Dredging
Base Metals Mining
International Mining
(Stock and Warrants)

Information on the above Companies will be supplied to interested investors on request.

Greenshields & Co
Members of
Montreal Stock Exchange
Montreal Curb Market
507 Place d'Armes, Montreal

OTTAWA SHERBROOKE TORONTO VANCOUVER QUEBEC

Honored by Ontario's Mining Industry



Sketch by Charles Comfort

HON. CHAS. McCREA, MINISTER OF MINES FOR ONTARIO

At a complimentary banquet tendered by the mining fraternity a portrait painted by E. Wyly Greer was presented as a mark of esteem for his ten years of service to the mining industry while Minister of Mines for Ontario.

Bridge River Area Rises As Large B.C. Gold Camp

Rapid Progress Being Made by Producers and at Least One New Mill Assured for 1934

By B. F. TOWNSLEY
Mining Editor, The Financial Post

BRIDGE RIVER, B.C.—The Bridge River camp, 50 miles over a mountainous motor road from Bridge River station on the Pacific Great Eastern Railway, is the scene of British Columbia's greatest activity in the exploration for and in the production of gold. The success of the Pioneer Mine, now the largest gold producer in the province after 35 years of intermittent effort to make it a mine, has stimulated confidence that the area may see many large and successful gold producers in the immediately succeeding years.

The producing area, and the one receiving the greatest attention, may be described as a zone of diorite intrusives about eight miles long, lying in an easterly-westerly direction and up to a mile in width. Cutting this zone are parallel quartz veins from a few inches to several feet in width with high gold values. There are also parallel veins of schist up to 50 ft. in width, carrying gold values. The Pioneer Mine is at the present south-easterly limit of the producing zone and the Wayside, which is constructing a mill, is at the north-westerly end of the zone.

Has Produced $6,000,000

The general inaccessibility of the area has been a factor in its not being more aggressively developed in former years. While it is but one hour's trip in a modern aeroplane from Vancouver, it is an 18 hour trip from Vancouver to Squamish by boat and from there by the P. G. E. railway to Bridge River station and on to the camp by motor road. In the summer season a scenic motor road up the Fraser to the junction of the Bridge reduces the trip to 12 hours.

The new history of the camp may be said to date from 1928 when the present Pioneer company was formed and production started. From that time to the end of 1933 the ouput from the Pioneer and Bralorne mines has added approximately $6,000,000 new wealth to the province.

Electric Power Available

The leading properties are at present supplied with hydro-electric power generated by the respective companies, but it is evident that as production is increased and as new properties are developed more power will be required. To this end the B. C. Electric Co. is proceeding with the initial development of its hydro-electric project on Seton Lake, some 50 miles from the mines. While originally designed for some 500,000 h.p. by tapping the Bridge River and deflecting its flow in a long tunnel through the mountain and emptying into Seton Lake, the project was never completed. Ultimate plans call for a dam across Bridge River, but initially only a 10,000 h.p. unit will be installed and no dam is necessary. This initial installation is proceeding rapidly, the transmission line has been built to the mines and power is planned to be available by July 1, 1934. Small power users will be supplied at $55 per h.p. year. When the production stage is reached, even for a small producer, the rate will fall to $35 per h.p. year.

Pioneer B.C. Largest

Pioneer, the leading gold producer in the province at present, treated in the calendar year 1933, 103,000 tons of ore and produced 83,911 ounces of gold and 15,865 ounces of silver, valued at $2,370,364. As an indication of its fertility the January production was $240,000, while the profit without taxes or depletion was $171,600. Development has taken place through the No. 3 shaft started in 1931, which has reached the 14th level, or a depth of 1,600 feet below the main tunnel at an elevation of 4,000 feet.

The main vein has been developed a maximum of about 3,000 ft. along the ore zone. About 75 per cent of the drifting was in ore, which averages about 3½ ft. in width and assays about .8 ounce of gold per ton. Down to the 14th level about 10,000 ft. of drifting still remains to be done on the main vein, while literally dozens of small branch veins remain to be explored. The lateral possibilities of the property have not been delimited, but present work is being confined to the known economic zone at least 3,000 ft. in length. At the present rate of production this zone is being exhausted at the rate of two levels per year or about 250 ft. vertical depth.

In order that development may be speeded up a start is being made at once to sink the No. 3 shaft another 500 to 750 ft. and open up either four or six new levels. There is little indication that the mill will be increased beyond its present capacity of 340 tons daily, although at the sacrifice of extraction the mill might be increased to 400 tons daily or even to 500 tons with the addition of more settling tanks. At the present time some 250 men are employed, of whom about 70 are employed underground.

Bralorne Advancing Fast

At the Bralorne Mine, adjoining Pioneer, a programme of steady expansion has been under way since the commencement of production in February, 1932. Developments have been of such an outstanding nature that the mill has been increased from an initial capacity of 100 tons daily to a current rate of 230 tons daily. Last November the rate was increased from 125 tons to 200 tons and since then to 230 tons with the prospect of a further increase to 250 tons by minor refinements and adjustments, with 500 tons possible if indications are confirmed.

The production in 1933 was approximately 57,000 tons of ore treated, from which gold to the value of $750,000 was extracted. The net profits for the year were between $400,000 and $450,000.

An initial dividend of 12½ cents per share is to be paid on April 16. At the present rate of production and with the proposed increases, it is evident that the 1934 production will be near the $2,000,000 mark if the present price of gold prevails. Not only has the production advanced materially but also the ore reserves, which are likely to be shown at near 300,000 tons for the last fiscal year, as compared with 125,000 in the previous annual report.

The principal development has been on the King vein through the No. 8, or main, tunnel, at an elevation of 3,416 ft., from which an inclined winze has been sunk for 260 ft., opening up the No. 9 and 10 levels. Work is now directed at opening up the No. 11 level and if ore conditions are as encouraging here as those on the upper levels, consideration will be given to increasing milling facilities to an ultimate of 500 tons by adding another ball mill and allied equipment. A new main production winze is being sunk to the No. 11 level and a new hoist installed.

The ore deposition at Bralorne is in some respects quite different from that at Pioneer. Values occur in wide schisted zones as well as the narrow high grade quartz veins and there are dozens of stringers and cross fractures, which in the limited development done, have responded in an amazing manner. At the juncture of a cross vein on the No. 8 level a stop of about 60 ft. in width was opened up.

At the Bradian property, which was formed by splitting the Bralorne holdings, and in which Bralorne has a 60 per cent interest, development is being steadily pressed. A new camp is being constructed in the middle of the property and a new electric driven compressor plant installed. This will serve for the development of both the Ida May and Coronation claims where shafts are to be sunk from the old and existing tunnels.

Wayside Starts Foundations

The third ranking property and one which will be in production by September this year is Wayside. This property lies near the extreme westerly end of the known mineralized zone. Here two distinct vein systems occur. One the narrow high grade quartz veins typical of the Pioneer and the other a schisted vein up to 16 ft. wide, carrying values from $3 to $7. Recently, while cutting a station for diamond drilling, the quartz vein was found to cut the schisted vein. At this point the quartz carried high gold values over a width of four feet, of which about one foot was in the foot wall of altered diorite. The main, or No. 5, tunnel has been extended some 1,000 ft. giving a maximum of about 700 ft. of backs. A 500 ft. diamond drilling contract was let recently to probe for possible veins east and west of the present veins, and plans are under way to sink a shaft for 500 ft., as well as raising to the surface.

The foundations for a 100 ton mill are just being started. The mill will have a coarse crushing capacity of 300 tons daily and will start production at about 50 tons with plans for gradually stepping it up.

The company's present 400 h.p. hydro-electric plant is to be increased to 800 h.p. to serve the new mill. At the present time about 50 men are employed at the property.

Wayside holds some 21 claims along the mineralized zone and consideration is being given to splitting up its holding and forming another company in a way similar to Bralorne, since it is thought that they can be most economically developed that way.

B.R.X. Gets Favorable Report

B.R.X. Mines, east and adjacent to Wayside, has an aggressive development programme under way on its California vein. On the No. 3 level a tunnel has been driven in and some 1,000 ft. of drifting done. A few weeks ago, diamond drilling 400 ft. below the No. 3 tunnel encountered .8 oz. gold ore per ton over a width of seven feet. A winze is just starting in about 700 ft. on the No. 3 tunnel. On the No. 2 tunnel, 200 ft. below the No. 3, some 500 ft. of drifting and crosscutting has been done. Power for present operations is supplied by Diesel engine. Messrs. Yevill and Joralemon have reported favorably on the property.

Many Others Busy

At the Minto property, adjoining the Wayside, good results are being had with a Diesel power plant. Lateral work on the No. 2 and No. 3 levels has encountered a vein that at one place measures 19 ft. wide, carrying commercial values in gold. Work is proceeding without interruption.

At the Bridge River Consolidated Mines, under option to Consolidated Smelters, which is directing operations, diamond drilling has been under way. The tunnel on the Forty Thieves vein is not being pushed at the present time.

Other operators that have been active in the area include Taylor Bridge River, which is being probed by a tunnel extension from the main tunnel level of the Bralorne mines on a cost plus basis. The tunnel has just reached the Taylor property. Grull-Wihksne, Cariboo-Bridge River, Butte I.X.L., Standard Gold, Reward, Native Son, Bridge River-Ogden, the latter two now consolidated, Golden Mitt, now reorganized as the Bridge River Pacific, and numerous less active operations were under way last year and plan further work this season in the immediate area of the producing mines.

Petrol Oil & Gas Report $15,584 Operating Profit

The annual report of Petrol Oil & Gas Co. for the fiscal year ended December 31, 1933, shows a net profit of $15,584 before reserve for taxes as compared with $20,627 in 1932. Gross income totalled $40,400, including $39,643 from sale of gas and oil and also royalties. This compares with $42,608 in 1932.

As at December 31, current assets totalled $18,337 and current liabilities $4,277. The present capital structure after giving effect to the change approved last December stands at 300,000 shares no par value authorized of which 220,000 shares are outstanding.

The new board of directors includes H. C. Hatch, W. H. Mara, R. S. Williams, A. E. Beck, A. J. Anderson, Sigmund Samuel and Colonel G. G. Mitchell.

Hollinger Sets High Monthly Dividend Rate

After 22 years as a continuous dividend payer, Hollinger Consolidated Mines has declared its highest monthly disbursement on record—20 cents per share payable March 26, bringing the disbursement for the first three months of 1934 to 35 cents per share as compared with 85 cents per share paid throughout 1933.

It is not to be interpreted that the 20-cent disbursement represents a month's earnings, but rather that the accumulated surplus is being drawn on with indications that it will be the policy of the directors to disburse earnings more liberally in the future rather than to follow the old policy of accumulating an earned surplus.

Has Paid $67,824,400

After the disbursement on March 26 next Hollinger's total dividends will be $67,824,400, giving it the rank of North America's premier dividend-paying gold producer.

Operating the largest gold mill in Canada, Hollinger's grade of ore and operating costs are the lowest of any property in Canada, exclusive of the Howey Gold Mines. The normal value of the grade of ore treated in 1933 was about $5.80 per ton, while production costs were around $4.50 per ton. It thus becomes evident that the present high price of gold gives Hollinger a tremendous advantage and greatly augments its earnings capacity as well as greatly extending its potential life through adding thousands of tons of commercial ore from what was formerly regarded as waste rock.

Canadian Kirkland Mines Increase Capitalization

Shareholders of Canadian Kirkland Mines met at a special general meeting in Toronto on March 5 and approved of increasing the present authorized capitalization of $3,000,000 to $4,500,000 by the creation of an additional 1,500,000 shares of $1 par value.

The increase was made to finance further operations of the company and an option was given to W. J. Beckett & Co., Toronto, on the following terms:

Of the total 700,000 shares will be taken at 10 cents per share; 200,000 shares at 15 cents; 100,000 shares at 20 cents and 500,000 shares at 30 cents. If the option is fully exercised the company will receive $270,000 which officials believe will be sufficient to bring the property into production.

Reporting on developments at the property at Kirkland Lake, the No. 1 shaft was reported at a present depth of 800 ft. where a station was being cut. About 40 ft. of crosscutting remains, it is expected, in order that the vein will be contacted.

Siscoe Gold Mines to Pay Share Bonus of Two Cts.

Siscoe Gold Mines has declared a dividend of three cents per share payable March 31, 1934, to shareholders of record of March 8, and also a bonus of two cents per share payable simultaneously.

This is the second bonus of two cents per share that has been declared, the first being on December 15, bringing the total distribution for 1933 to 14 cents per share.

During February the mill treated 9,102 tons of ore, an average of 325 tons daily, having a total value of $99,817. This compares with 9,740 tons valued at $102,657 in January. Both these figures are exclusive of exchange compensation.

St. Anthony Gold Mines Increases Capitalization

Shareholders of St. Anthony Gold Mines will be asked to approve of an increase in the capitalization from $3,000,000 to $3,300,000 by the creation of 300 new shares which will be offered to shareholders at 25 cents each. At the annual meeting on March 1, a report was presented which indicated that production would be ready to start about the middle of April. Finances are reported on hand for the completion of the mill and power plant and the money received from the new issue of shares will be reserved for working capital to provide against emergencies that might arise.

Share Activity Forebodes Potter-Doal Reorganization

A reorganization of Potter Doal Mines is being mooted and the shares have staged great activity in trading.

The company was originally incorported in 1927 with a capitalization of $3,000,000 and increased in January, 1928, to the present $5,000,000 capitalization. Practically all of this is outstanding and the company is without funds, but has plans for securing some properties in Quebec. In 1928 it acquired the Warden Mines on a share-for-share basis.

Hydro Power For Moss Mine Being Mooted

Special Correspondence

FORT WILLIAM.—Rumors are current here that the Ardeen Mines, formerly the Moss Gold Mines, is likely to install hydro-electric power to overcome the difficulties and high costs now incurred by the obsolete crude oil engine plant supplying this mine with energy.

Hydro made a proposal to the old Moss company, before it went into the hands of receivers to extend a 110,000 volt transmission line from the twin cities of Fort William and Port Arthur to the Moss property some 70 miles west. The proposal at that time was to build a line and rebate the company the cost of its construction on its power bills. The electric power for Fort William and Port Arthur comes from the Kaministiquia Power Co., a subsidiary of the Abitibi Power & Paper Co., which has its hydro electric site at Kakabeka Falls on the Kaministiquia River, about 20 miles north of Fort William.

It it understood that the Ardeen Gold Mines has made no overtures toward the Hydro to enter into the proposal offered to Moss Mines.

By extending the power line from the Twin Cities westward, power facilities are afforded properties under development along the line that might some day require power for larger operations.

Teck-Kirkland Mines Form Consolidation

Last week shareholders of Teck-Kirkland Gold Mines and Seneca Lebel Gold Mines met and approved of a consolidation of their respective properties to form a new company which is to be known as the Teck-Kirkland Gold Mining Co., Ltd.

The new company will have an authorized capitalization of $5,000,000 in $1 par value shares of which approximately 2,100,000 will be outstanding and exchangeable for shares in the two predecessor companies on a share-for-share basis.

The company's property comprises some ten claims, one claim north of Bidgood property in Lebel township, Kirkland Lake district, Ont.

To finance the company's programme, which is to include shaft sinking at once, A. Dukes & Co., have undertaken to provide ultimately $255,000 from shares remaining in the company's treasury.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
Adel. 6028

NORTHERN CANADA MINING CORPORATION, LIMITED
Invests in Canadian Mines and Mining Properties
J. B. TYRRELL, President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

REID, WALLBRIDGE, GIBSON & SUTTON
Barristers, Solicitors, etc.
R. L. Reid, K.C. D. S. Wallbridge
J. G. Gibson W. A. Sutton
YORKSHIRE BUILDING
VANCOUVER, B.C.

J. E. Grasett & Co.
MEMBERS TORONTO STOCK EXCHANGE
302 Bay St.
TORONTO
WAverley 1633
Branch Office:
Keele & Dundas Sts.
Ju. 1167

Nova Scotia Gold
The Government will co-operate with any substantial mining, exploration company, or capitalist, while examining or operating a gold mining property. If possible will supply—
1. Services of Government Engineers.
2. Geological and mining information, maps, plans, etc.
3. Government assaying and ore testing.
4. Protection of operating company's interest while in the Province.
5. Electric or other power.
The gold fields of Nova Scotia as yet undeveloped offer attractive possibilities.
Hon. Michael Dwyer
Minister of Mines,
HALIFAX, N.S.

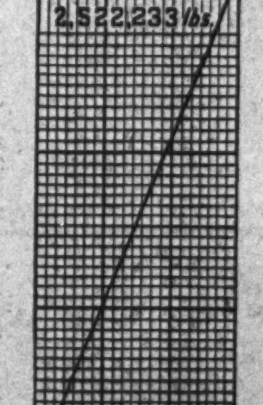
Morning Star (Fairview) Gold Mines Limited
Bought — Sold — and Quoted
S. R. MACKELLAR & CO.
Members Toronto Stock Exchange and Winnipeg Grain Exchange
Toronto — 21-23 Melinda St. Phone AD. 4911
Branches: HAMILTON, CHATHAM, TRENTON

GOLD — SILVER — OIL ROYALTIES
Whole and part Turner Valley oil royalties. Mining property and whole issues — Bridge River—Cariboo—Portland Canal and other districts of British Columbia.
Inquiries invited from broker—dealers—companies—capitalists.
A. M. Howell & Associates Ltd.
Rogers Building, Vancouver, B.C.

Teck-Hughes
Wright-Hargreaves
Lake Shore
McIntyre
Dome
Bralorne
The current issue of the "Mining Chronicle" contains instructive information on the above companies.
Copies will be mailed upon request.
F. J. CRAWFORD & CO.
Members
Toronto Stock Exchange
Winnipeg Grain Exchange
11 Jordan St., Toronto
ELgin 2201

Preliminary Announcement
A PUBLIC OFFERING LIMITED TO 300,000 SHARES
of
Longlac Lagoon GOLD MINES LIMITED
No Personal Liability
Adjoining the Little Long Lac Gold Mine on the strike of its vein system
Will Shortly be Announced
Longlac Lagoon Gold Mines Limited
85 Richmond St. W., Toronto. Elgin 6289

SURVEY
EXPLORATION
PHOTOGRAPHY
TRANSPORT



TREBLED in 3 years...
Operation figures for Canadian Airways for 1933 demonstrate in no uncertain manner the progress of air transportation in Canada.

	1933	1931
Express & Freight (lbs.)	2,522,233	764,449
Mail	328,613	459,458
Passengers	16,942	5,047
Miles Flown	1,165,484	1,832,794

CANADIAN AIRWAYS Limited
MONTREAL WINNIPEG VANCOUVER
Toronto Office: 1430 Canadian Bank of Commerce Building
Edmonton Office: Richardson Bldg.

Progressive Growth of Leading Canadian Power Utility Enterprises

Ten Year Analysis 1924-1933

Barcelona Traction L. & P.

†Kilowatts connected.
(1) $50 par value.
(2) Capital reorganization March, 1930—1 no par value share for each old one; also 6 new shares of no par common for each old preferred.
(3) Paid on new shares.

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	279,849†	460,046	234,158	......	$78,951,415	$23,248,900	$13,725,000 (1)	$2,999,287	$2,419,088	$........	......	...	...	23	13	....	1924
1925	293,128	512,128	260,635	......	78,247,160	23,248,900	13,725,000	3,678,234	2,233,985	....	$ 85,861	...	...	30	18⅛	....	1925
1926	310,153	530,295	280,361	2,631	66,324,018	25,193,400	14,362,500	4,030,090	2,049,448	....	54,373	...	...	39¾	26	....	1926
1927	321,711	578,222	297,547	5,583	65,717,225	26,193,400	14,862,500	4,765,521	2,054,491	....	280,696	1.99	1.00	68⅛	33½	....	1927
1928	336,872	620,174	314,357	8,128	67,852,965	25,193,400	14,362,500	4,812,137	1,918,205	....	492,268	1.26	1.00	78	56	....	1928
1929	368,503	718,249	334,251	9,813	66,762,394	25,193,400	14,362,500	4,832,369	1,728,454	....	889,565	1.44	.50	65	47½	....	1929
1930	377,894	743,516	354,593	10,546	70,808,031	None	1,798,854 (2)	4,596,951	1,638,333	....	2,022,168 (2)	1.12	1.00 (3)	30	21 (2)	....	1930
1931	387,204	758,414	370,579	11,186	70,089,296	None	1,798,854	3,228,074	1,567,770	....	1,460,361	0.81	.50	24	8⅛	....	1931
1932	396,942	769,906	383,578	11,550	71,647,899	None	1,798,854	2,943,319	1,400,757	....	1,310,292	0.73	...	10¼	10⅛	....	1932

Brazilian Traction L. & P.

† Kilowatts.
(1) $100 par value.
(2) New stock no par value—4 new for 1 old.
(3) Plus sinking fund reserves.
(Also operates tramway and telephone and water systems).

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	169,400†	483,240	175,307	40,328	$68,335,277	$10,000,000	$1,065,879 (1)	$26,936,767	$4,709,785	$4,238,848 (3)	$ 7,038,917	$6.60	$4.00	55¼	41¾	....	1924
1925	210,400	479,540	185,853	44,136	68,021,825	10,000,000	1,065,883 (1)	31,243,759	4,391,087	4,807,980	7,655,286	7.18	4.00	84	40⅜	....	1925
1926	240,400	526,317	201,620	49,535	67,602,606	10,000,000	1,093,092 (1)	38,602,891	4,084,242	5,823,622	11,145,397	10.45	5.00	122	80	....	1926
1927	275,450	629,558	230,721	54,241	67,347,146	7,279,100	5,483,278 (2)	38,319,989	3,889,853	6,156,699	11,418,391	10.45	6.00	234⅞	102½	....	1927
1928	295,112	721,436	261,028	59,577	65,260,274	764,400	5,483,278	42,774,813	3,801,295	6,829,974	14,067,213	10.24 (1) 2.58 (2)	3.50 (1) .88 (2)	257 (1) 78 (2)	195 (1) 50 (2)	1 for 5 at $100 (Old Stock)	1928
1929	318,452	816,557	301,196	70,479	60,184,201	417,500	6,295,385	49,351,215	3,787,334	7,362,991	16,861,097	2.67	2.00	82	30	1 for 1 at $40	1929
1930	317,807	791,520	317,494	74,979	59,808,622	393,400	6,490,046	46,898,444	3,588,938	7,745,594	16,025,339	2.50	3% stock $1.50	55¼	19½	....	1930
1931	317,717	797,832	331,415	74,509	59,456,548	393,400	6,754,625	34,896,767	3,374,070	7,850,999	9,389,193	1.39	50c+4% in stock	28½	7⅞	....	1931
1932	317,717	821,164	348,783	78,432	59,087,457	393,400	7,027,660	29,358,420	3,132,917	8,155,144	5,239,469	0.742	25c+4% in stock	14⅜	7⅜	....	1932

B. C. Power

(1) Underlying bonds=$33,804,750. Underlying stocks=$12,142,075.
(2) Underlying bonds=$25,004,716. Underlying stocks=$11,984,000.
(Also operate tramways).
(3) Underlying bonds=$24,849,092. Underlying stocks=$11,984,000.

(Control of B. C. Electric secured by B. C. Power early in 1928)

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	......	......	......	26,590	....	......										....	1924
1925	......	197,827	87,587	29,000	....	......										....	1925
1926	212,200	228,947	89,270	33,158	....	......										....	1926
1927	212,200	263,720	94,611	36,484	....	......								61-A 45½-B	48½-A 21½-B	....	1927
1928	212,200	290,405	100,337	41,114	....	......	$1,000,000 "A" (1) 1,000,000 "B"				$2,632,980-A 632,980-B	2.63-A .63-B	2.00-A ...	60-A 40-B	35-A 18-B	....	1928
1929	214,160	342,627	105,908	45,163	.... (1)	......	1,000,000 "A" (2) 1,000,000 "A"	$14,681,263	$1,983,416	$1,825,468	2,188,194-A 188,194-B	2.19-A .19-B	2.00-A ...	45½-A 26½-B	32-A 10¼-B	....	1929
1930	261,160	351,047	110,436	48,037	$10,000,000	......	1,000,000 "A" 1,000,000 "B"	15,414,341	2,101,713	1,877,030	2,436,816-A 436,816-B	2.22-A .22-B	2.00-A ...	42½-A 18-B	26-A 7-B	....	1930
1931	279,160	372,282	118,267	50,697	$14,000,000	......	1,000,000 "A" 1,000,000 "B"	15,119,946	2,585,742	1,870,965	2,009,340-A 9,340-B	2.00-A .005-B	2.00-A ...	28-A 7½-B	15-A 3¾-B	....	1931
1932	279,160	346,549	121,169	50,728	$14,000,000 (2)	......	1,000,000 "A" 1,000,000 "B"	14,356,842	2,510,499	1,869,804	1,537,148-A Nil-B	1.54-A Nil-B	2.00-A ...B	28-A 6¾-B	14-B 3-B	....	1932
1933	279,160	324,085	122,298	49,269	$14,000,000 (3)	......	1,000,000 "A" 1,000,000 "B"	12,825,554	2,499,118	1,827,104						....	1933

Calgary Power

(1) London, Eng., prices.
(2) New York bid.
(3) Steam (leased).

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	32,000	......	......	......	$2,842,620	......	$1,900,000	$ 371,956	$ 144,357	$ 50,000	$ 96,822	$5.05	...	52 (1)	15½ (1)	....	1924
1925	32,000	63,101	......	......	2,806,120	......	1,900,000	409,793	141,547	50,000	113,336	5.96	...	46 (2)	...	....	1925
1926	32,000	70,475	......	......	2,768,647	......	1,900,000	450,961	139,508	50,000	125,427	6.60	...	52½ (1)	51	....	1926
1927	32,000	78,638	......	......	2,728,740	......	1,900,000	496,583	137,472	60,000	129,594	6.82	1.25	100	50	....	1927
1928	32,000 18,000 (3)	100,199	......	......	2,710,338	$2,500,000	2,500,000	966,147	168,949	93,109	226,197	9.05	5.00	170	100	1 for 10 at $100	1928
1929	70,000 18,000 (3)	123,319	......	......	2,661,560	4,600,000	2,500,000	1,506,913	135,682	150,000	288,628	11.55	5.00	180	165	2 for 5 at $100	1929
1930	70,000 18,000 (3)	136,794	......	......	10,000,000	6,000,000	3,500,000	1,833,415	364,916	165,000	326,774	9.34	6.00	198	150	....	1930
1931	70,000 18,000 (3)	156,521	17,803	......	10,000,000	6,000,000	3,500,000	2,082,248	542,959	165,000	214,262	6.12	6.00	125	120	....	1931
1932	70,000 18,000 (3)	145,761	......	......	10,000,000	6,000,000	3,500,000	2,034,704	571,031	175,000	272,089	7.77	6.00	—No Sales—		....	1932

Canada Northern Power

(1) 5 new shares for 1 old share of no par value.
(2) Two quarterly dividends.
(3) Subsidiaries have issued $1,466,000.
(4) Subsidiaries have issued $267,867.

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	73,000	......	......	......	....	...... (3)	.... (4)	....	......	......	......	...	...	...	...	....	1924
1925	73,000	......	......	......	$ 5,605,900	$4,000,000	$ 50,000	$1,035,851	$ 290,027	$ 274,364	......	...	...	30	27	....	1925
1926	73,000	224,683	7,510	......	14,826,500	4,607,200	50,000	2,562,185	823,355	425,000	538,739	.77	...	43	27	....	1926
1927	73,000	259,603	8,742	......	14,627,000	5,000,000	50,000	2,812,514	898,337	476,000	84,384	1.68	...	75	51	....	1927
1928	93,000	343,930	9,524	......	15,000,000	5,154,900	75,000	3,088,529	787,034	558,767	372,849	4.97	...	100	70½	1 for 4 at $50	1928
1929	93,000	347,827	9,980	......	15,000,000	5,154,900	375,000 (1)	3,116,597	820,018	600,000	265,572	.71 (1)	.30 (2)	35⅛ (1)	18 (1)	....	1929
1930	105,000	367,130	10,337	......	17,000,000	5,500,000	375,000	3,181,504	810,769	600,000	215,312	.31	.60	21	14	....	1930
1931	106,840	418,227	11,407	......	17,000,000	5,500,000	375,000	3,341,964	902,302	600,000	284,573	.76	.80	25½	15½	....	1931
1932	106,840	441,150	12,516	......	17,000,000	5,500,000	375,000	3,456,771	960,189	600,000	340,677	.91	.80	17	9	....	1932

Canadian Hydro-Electric

† Funded debt and advances—Subsidiaries only.
(1) Minority stock interest—$349,600.
(2) Minority stock interest—$199,600.
(3) Minority stock interest—$199,600.
(4) Minority stock interest—$199,600.
(5) Not segregated.

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	......	......	......	......	....	......	....	....	......	......	......	...	...			....	1924
1925	......	......	......	......	....	......	....	....	......	......	......	...	...			....	1925
1926	......	......	......	......	........†	......	....	....	......	......	......	...	...	(All common stock owned by Inter. Hydro-Electric System)		....	1926
1927	......	......	......	......	$59,056,407	$37,500,000 (1)	$5,000,000	....	......	......	......	...	...			....	1927
1928	......	1,294,961	......	......	73,773,788	37,500,000 (2)	5,000,000	$4,367,393	$2,272,811	$ 297,427	......	...	...			....	1928
1929	622,600	2,097,793	......	......	82,907,455	37,500,000 (3)	5,000,000	6,855,777	4,027,915	406,861	......	...	...			....	1929
1930	645,519	2,534,522	......	......	81,932,322	37,500,000 (4)	1,000,000 sh.	8,513,408	4,321,762	(5)	......	...	...			....	1930
1931	679,519	2,423,055	......	......	89,754,211	37,500,000	1,000,000 sh.	9,311,639	4,602,425	594,123	0.05	...	...			....	1931
1932	679,519	2,557,413	......	......	89,047,000	37,500,000	1,000,000 sh.	9,889,769	4,674,987	637,384	0.48	...	...			....	1932

Montreal Light, Heat & Power

(1) New stock—3 for 1 split—$100 to n.p.v.
(2) New stock—2 for 1 split.
(3) New stock.
(4) Now on $1.50 basis.
(5) Bonus preferred—issued in July—redeemed November.
(6) Buys large blocks of power from Shawinigan and others.
(7) Not including subsidiaries.

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	282,400 (6)	1,157,649	175,315	134,978	.... (7)	......	$64,651,000	$17,394,092	$1,209,778	$1,739,409	$6,460,412	$9.00	$7.00	188	140	....	1924
1925	282,400	1,175,430	187,284	144,201	....	......	64,683,900	18,348,806	1,213,650	1,834,880	6,676,377	10.51	7.75	220	152	....	1925
1926	282,400	1,251,502	196,992	153,506	$30,000,000	$32,863,950 (5)	1,941,837 (1)	18,907,382	1,611,121	1,890,738	7,082,567	3.46 (1)	6.00 .83⅓ (3)	240 75 (1)	209½ 61 (1)	....	1926
1927	282,400	1,354,895	207,360	162,349	29,780,000	......	2,041,837	20,314,903	2,922,913	2,031,490	6,893,094	3.36	2.00	96½	68	....	1927
1928	282,400	1,450,485	219,501	173,598	29,549,000	......	2,041,837	21,235,991	2,928,516	2,123,599	7,866,462	3.85	2.40	120	89	....	1928
1929	282,400	1,568,864	231,172	184,629	29,306,000	......	2,041,837	22,286,284	2,803,409	2,228,628	8,737,638	4.28	2.40	180	98	....	1929
1930	282,400	1,650,626	240,965	191,879	34,051,000	......	4,083,674 (2)	23,484,079	3,138,600	2,348,407	8,943,584	2.19 (2)	.60 1.12 (4)	162 68¾ (3)	121 52½ (3)	1 for 10 at $50	1930
1931	325,425	1,557,930	254,250	197,885	33,777,000	......	4,492,042	25,410,776	3,502,295	2,541,078	9,766,921	2.17	1.50	68¼	38	....	1931
1932	325,425	1,249,313	264,068	197,470	63,197,650	......	4,488,925	24,783,066	4,021,933	2,478,306	8,752,590	1.96	1.50	39¼	20⅛	....	1932
1933	325,425	1,243,333	260,351	194,813	65,676,300	......	4,488,993	23,766,431	3,886,576	2,376,643	8,063,267	1.80	1.50	42¼	26⅛	....	1933

Nova Scotia Light & Power

(1) Reorganization: 1 new no par value common for 10 old $100 shares and 1.54 shares new common for each preferred held.
(2) Available for preferred and common.
† Arrangements for power supply with Avon River Power and N. S. Power Commission.
(Also operates tramways).
(3) Not available.

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	8,310†	......	Unr eported		$3,735,000	$2,078,800	$2,510,000	$1,299,371	$ 217,940	$ 42,653	.... (2)	...	...	Not Listed		....	1924
1925	8,310	20,900	10,071	"	3,718,000	2,078,800	2,510,000	1,344,098	216,925	151,276	....	...	...	...	...	....	1925
1926	8,310	22,157	10,379	"	3,701,000	2,078,800	2,510,000	1,438,903	216,214	169,186	$ 33,217	...	...	...	...	....	1926
1927	8,310	23,903	10,737	"	3,682,000	2,078,800	2,510,000	1,472,664	214,976	137,373	68,476	...	...	...	...	....	1927
1928	8,310	27,464	......	"	3,500,000	750,000	34,523 (1)	1,642,385	193,767	175,000	182,073	4.62	...	...	...	....	1928
1929	8,310	30,999	12,234	"	3,500,000	750,000	34,523	1,819,322	178,434	175,000	243,029	5.74	1.00	...	...		1929
1930	8,310	35,007	11,362	3,223	4,310,500	1,250,000	34,523	1,879,522	220,019	135,000	205,008	5.95	4.00	...	...	1 preferred for 8 shs. held at 97%	1930
1931	8,310	36,761	(3)	(3)	4,264,500	1,250,000	34,523	1,895,866	239,757	135,000	130,296	3.77	4.00	...	...	....	1931
1932	8,310	36,454	(3)	(3)	4,264,500	1,250,000	34,523	1,850,040	262,471	135,000	124,489	3.61	4.00	...	...	....	1932

Ottawa Light, Heat & Power

† Purchases 15,000 h.p. and surplus power from other producers.

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	19,300†	......	......	......	$2,211,340	$1,500,000	$3,500,000	$1,720,841	$ 125,458	$ 109,951	$205,000	$5.86	$6.00	97	82	....	1924
1925	19,300	......	......	......	2,187,540	1,500,000	3,500,000	1,787,182	136,526	104,950	210,334	6.01	6.00	103⅛	95½	....	1925
1926	19,300	......	......	......	2,157,000	1,500,000	3,500,000	1,854,383	142,375	105,284	255,545	7.30	6.00	100¼	95½	....	1926
1927	19,300	......	......	......	4,000,000	1,500,000	3,500,000	1,920,942	138,465	130,000	265,747	7.59	6.00	141¼	99	....	1927
1928	19,300	......	......	......	3,968,000	1,500,000	3,500,000	2,035,184	202,569	100,000	213,938	6.11	6.00	136	120	....	1928
1929	19,300	......	......	......	3,934,000	1,500,000	3,500,000	2,165,328	208,501	135,000	223,747	6.39	6.00	120	89	....	1929
1930	19,300	......	......	18,000	3,899,000	1,500,000	3,500,000	2,212,886	196,281	135,000	231,093	6.60	6.00	101⅛	87	....	1930
1931	24,300	......	......	......	4,851,500	1,500,000	3,500,000	2,290,813	220,811	135,000	231,739	6.62	6.00	98	92	....	1931
1932	24,300	......	......	......	4,800,000	1,500,000	3,500,000	2,284,044	275,023	135,000	192,655	5.50	6.00	100	87	....	1932

Quebec Power

(1) Changed from $100 to no par value, 4 new shares for 1 old.
† Buys large block from Shawinigan. (Also operates tramways).

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	......†	......	......	......	$5,000,000	$2,238,750	$3,933,800	$ 908,470	$ 300,000	$ 30,000	$192,001	$4.88	$4.00	95	64	....	1924
1925	......	......	......	......	5,000,000	3,542,370	3,999,150	1,046,944	300,000	60,000	242,834	6.07	5.00	119	86	....	1925
1926	......	79,171	32,650	8,650	5,000,000	3,592,400	4,026,350	1,238,302	300,000	100,000	315,802	7.48	5.50	200	113	....	1926
1927	......	109,788	34,284	9,212	5,000,000	....	400,000 (1) 10,000,000	1,572,230	300,000	100,000	856,227	2.14 (1)	5.50 .50 (1)	88½ (1) 312	72 (1) 190	....	1927
1928	......	163,859	39,024	9,963	12,000,000	....	502,877	3,198,487	511,774	100,000	1,199,724	2.39	2.00	115	68½	....	1928
1929	43,325	164,878	40,683	10,275	12,000,000	....	553,198	3,543,795	588,252	150,000	1,502,527	2.72	2.25	99	53	....	1929
1930	43,325	153,622	42,497	10,854	11,881,000	....	553,198	3,677,103	600,000	150,000	1,630,999	2.95	2.50	70½	40	....	1930
1931	43,350	148,079	44,361	11,280	11,881,000	....	553,158	3,392,826	613,677	150,000	1,241,123	2.24	2.37½	49	27	....	1931
1932	43,350	127,788	45,267	11,305	11,735,632	....	553,158	3,109,298	611,268	250,000	1,003,960	1.82	1.38	27	9¼	....	1932
1933	43,350	120,991	45,622	10,767	11,735,635	....	553,158	2,825,562	586,781	250,000	750,882	1.36	1.00	24	11	....	1933

Shawinigan Water & Power

(1) Old $100 par value shares split 1 for 4 shares of no par value.
† Buys 100,000 h.p. from Duke-Price Power; 10,000 h.p. from Southern Canada Power.
(Primarily wholesaler).

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	......†	1,971,759	......	......	$22,246,500	....	$22,000,000	....	....	....	....	...	...	137½	118¾	1 for 10 at $100	1924
1925	......	2,333,810	......	......	23,148,500	....	25,000,000	$6,702,034	$1,334,538	$ 350,000	$2,016,339	$7.86	$7.50	175	131	1 for 20 at $100	1925
1926	......	2,468,650	......	......	26,129,500	....	1,100,000 (1)	7,660,208	1,459,744	350,000	2,607,324	9.30	8.00	275½	167½	1 for 10 at $150	1926
1927	584,000	3,021,201	......	......	35,000,000	....	1,200,000	9,362,828	1,637,493	400,000	2,894,782	2.41 (1)	2.00 (1)	277½ 94⅞ (1)	264 67 (1)	1 for 4 at $50 1 for 11 at $50	1927
1928	653,000	3,270,702	......	......	53,013,500	....	1,867,072	11,562,331	2,250,000	800,000	4,048,523	2.17	2.00	109¾	75½	1 for 10 s'k bon.	1928
1929	693,600	3,726,436	......	......	58,974,000	....	2,178,250	13,475,862	2,857,754	800,000	5,107,797	2.34	2.12½	107½	68¾	1 for 6 at $50	1929
1930	718,625	3,528,538	103,000	......	85,215,000	....	2,178,250	14,954,074	3,450,807	800,000	5,770,670	2.65	2.50	82⅛	47	....	1930
1931	860,650	3,436,436	111,900	......	84,432,000	....	2,178,250	13,693,195	4,109,675	600,000	4,150,438	1.91	2.25	59½	32½	....	1931
1932	860,650	3,266,815	112,000	......	88,388,500	....	2,178,250	12,636,279	4,054,443	800,000	2,534,472	1.16	.75	33	7¼	....	1932
1933	860,650	3,901,772	120,000	......	88,788,500	....	2,178,250	11,945,863	3,813,127	1,100,000	1,843,044	0.85	.50	22¼	9⅞	....	1933

Southern Canada Power

(1) No par value.
(2) Old stock split 4 for 1.
(3) Since reduced to 80 cents a share.

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	9,600	48,734	16,217	......	$5,548,496	$2,984,800	$ 50,000 (1)	$1,150,863	$ 270,958	$ 115,100	$100,583	$2.01	$2.00	73	48	....	1924
1925	57,600	85,511	18,269	......	5,507,024	3,840,100	50,000	1,213,665	269,305	121,365	89,788	1.79	2.00	84	67	....	1925
1926	57,600	122,218	20,065	......	7,100,556	4,865,100	60,000	1,389,131	333,068	138,900	148,588	2.47	2.00	100	81¾	1 for 5 at $80	1926
1927	57,600	123,452	21,662	......	6,955,531	4,905,100	60,000	1,534,280	357,414	153,000	180,350	3.01	3.00	140	87	1 for 5 at $80	1927
1928	57,600	138,160	23,552	......	6,932,605	4,975,700	100,000	1,809,566	344,208	181,000	377,010	3.77	4.00	180	125	....	1928
1929	59,600	154,528	25,543	......	6,866,268	4,975,700	400,000 (2)	2,095,912	342,977	209,590	493,253	1.23 (2)	1.00 (2)	64½ (2)	64½ (2)	....	1929
1930	60,800	170,685	26,594	......	6,841,367	5,884,600	400,000	2,257,421	341,461	225,770	486,386	1.22	1.00	37½	24	....	1930
1931	60,800	155,016	27,225	......	6,816,234	6,759,700	400,000	2,355,111	360,149	235,510	436,076	1.09	1.00	32	22¾	....	1931
1932	58,800	171,285	27,507	......	6,787,528	7,088,900	400,000	2,224,444	374,637	222,445	377,605	0.94	1.00	25	10	....	1932
1933	58,800	174,655	27,343	......	6,692,811	7,088,900	400,000	2,114,720	374,600	211,470	319,769	0.80	1.00 (3)	19½	9⅞	....	1933

Winnipeg Electric

(1) 1928—$100 par value stock changed to no par—share for share exchange.
(2) Deficit.
(3) Dividend last paid Aug. 1, 1930.
(4) Not including subsidiaries.
† Has large resources through subsidiaries: Manitoba Power, 168,000 h.p.; Northwestern Power building, 225,000 h.p. plant. (Also operates tramways).
(5) Also guarantees principal and interest on $22,075,000 of bonds of subsidiaries, over $10,000,000 of which are in default.

Year	Installed Horsepower Capacity	Output M.Kw.H.	Customers Electric	Customers Gas	Funded Debt	Preferred Stock	Common Stock	Gross Earnings	Interest Charges	Depreciation	Common Stock Earnings	Common Share Earnings	Common Stock Dividends	Common Share Price Range High	Low	Stock Rights	Year
1924	47,000†	143,239	20,823	21,733	$15,380,000 (4)	$3,000,000	$11,000,000	$1,888,013	$ 700,463	$ 201,050	$ 35,382 (2)	...	...	38¼	24	....	1924
1925	47,000	153,859	21,929	20,703	16,380,000	3,000,000	11,000,000	2,067,365	372,914	201,050	237,554	2.16	2.00	53½	36½	....	1925
1926	47,000	168,702	23,301	19,773	16,378,000	3,000,000	11,000,000	2,269,205	915,962	201,050	359,531	3.18	2.00	64	40½	....	1926
1927	47,000	185,568	25,286	19,613	16,380,000	4,156,900	15,000,000	2,498,287	937,159	201,050	452,055	3.02	2.00	104½	61	4 for 11 at $60	1927
1928	47,000	212,608	27,455	19,056	16,380,000	4,987,400	150,000 (1)	2,542,210	909,479	201,050	428,209	2.85	2.00	128¾	93	....	1928
1929	47,000	230,588	29,797	18,569	16,380,000	5,000,000	229,483	2,815,740	930,079	488,416	619,551	2.70	2.00	109⅓	45	1 for 3 at $60	1929
1930	47,000	221,592	31,323	17,977	16,380,000	5,000,000	241,934	2,431,915	951,290	515,345	222,808	.92	1.00 (3)	54	13¾	....	1930
1931	47,000	213,593	32,398	17,726	16,380,000 (5)	5,000,000	241,934	2,146,551	945,594	531,886	....	...	...	21½	4	....	1931
1932	47,000	227,075	33,335	17,158	16,380,000 (5)	5,000,000	244,772	2,095,662	1,017,951	546,876	....	...	...	8	2	....	1932

Note:—These figures are secured from reliable sources, but are not guaranteed.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, MARCH 10, 1934 | 10c a Copy; $5.00 a Year | No. 10

Public Utilities' Operations Accelerate as Confidence Grows

POWER SUPPLY GAINS FURTHER IN PAST YEAR

Installations Now Aggregate Over 7,330,000 Horsepower

PICKING UP SLACK

Capital in Industry at Beginning of 1934 is Estimated at $1,675,000,000

While no new undertakings of any considerable size had been initiated by the water power industry since early in 1931, completion of two large central electric stations which had been under construction, together with a number of smaller plants mostly for mining purposes in British Columbia, provided an installation for the year 1933 of 270,210 h.p. This, in addition to 16,600 h.p. installed during 1932 but not included in the total for that year brought the total hydraulic installation of Canada to 7,332,070 h.p. as of January 1, 1934. Construction which is continuing upon several large undertakings will add substantially to this figure in 1934 and subsequent years.

The major portion of the year's installation was in Quebec and Ontario. In the first mentioned province the MacLaren-Quebec Power Co. completed its 136,000 h.p. development on the Lievre River at Masson, its output being purchased under long term contract by the Hydro-Electric Power Commission of Ontario and transmitted to Toronto.

Abitibi Project Producing

In Ontario, ownership of the Canyon development on the Lower Abitibi River was acquired by the Ontario Government early in the year and its completion undertaken by the Hydro-Electric Power Commission. The installation will ultimately be 330,000 h.p., of which 132,000 h.p. was brought into operation in 1933. Power from this station is being distributed in the mining areas of Northern Ontario.

The Department of Railways and Canals completed a 15,000 h.p. installation near Merritton in 1932, but it was not included in the totals for that year. It supplies all the electric energy required to operate the Welland Canal.

In British Columbia the West Kootenay Power and Light Co. installed a 1,050 h.p. plant on the Goat River near Erickson, the Wayside Gold Mining Company one of 360 h.p. on Ferguson Creek, the Meridian Mining Company Limited one of 500 h.p. on Pool Creek, the British Columbia Nickel Mines Limited one of 300 h.p. on Stulkawhits (Texas) Creek, while two installations completed in 1932, but not referred to in the review of that year's activities, were that of the Reno Gold Mines Limited on Sheep Creek, 800 h.p., and that of the Pioneer Gold Mines on Hurley River, 800 h.p.

Central Stations Important

Central electric stations, i.e., organizations generating electricity for public distribution for industrial, municipal, commercial, domestic and agricultural uses, account for by far the larger part of Canada's hydraulic installation. These organizations, say the Dominion Water Power Branch, maintain a total installation of 6,380,691 h.p., or 87.0 per cent of the total. A considerable proportion of the power generated by this installation is sold en bloc for the manufacture of pulp and paper, for the mining and reduction of minerals and for electro-chemical production.

Paper Industry Basic

Pulp and paper mills have an aggregate hydraulic installation of 600,996 h.p., or 8.2 per cent of the total. In addition to this installation these and other pulp and paper mills have motor equipment for operation by hydro-electricity purchased from the central stations aggregating more than 1,031,000 horsepower.

Large amounts of hydro-electricity are also purchased for use in electric boilers to produce steam for heating and pulp cooking. During 1932 hydro-electricity purchased by the industry totalled 5,759,795,132 kw.h., of which 2,695,075,726 kw.h., or more than 46¾ per cent, was used in electric boilers. The use of electric steam boilers has greatly increased recently as their low cost of installation provides an economical means of using electricity, self-generated or purchased, which may be temporarily surplus to the requirements for motive power.

Mines Large Purchasers

The third class, other industries, includes general industrial plants, such as mines and mineral reduction works, electro-chemical plants, sawgrist- and grinding-mills; machine shops, municipal pumping plants and electric street railways. This group has a hydraulic installation of 350,383 h.p., or 4.8 per cent of the total and is also a large purchaser of power generated by the central electric stations.

Central Stations Predominate

The predominance of water power in the central electric station field in Canada is revealed by the last completed census of industry, that for the year 1931. This census shows that more than 95 per cent of the generating plants of central stations consists of hydraulic turbines and that these turbines produce more than 98 per cent of the electricity sold in Canada.

This census also indicates the extent to which power purchased from the central electric stations is utilized by the general manufacturing industries. The total power equipment employed, made up of primary hydro and fuel power equip-

(Continued on page 18)

Utilities' Field of Service Widens to Meet Growing Demands

Development of water power resources and use of electric energy in industry, commerce and the home, have been developed in Canada on a scale comparing favorably with that of any other country. Most of the growth and utilization of hydro power in this country has taken place since the war. The expansion of manufacturing and the extension of transmission and distribution lines increased the use of electricity to the point where the central electric station industry represents one of the three great industries in the country. At the beginning of this year over $1,675,000,000 of capital was invested in the production, transmission and distribution of power. All provinces have shared in this development, though naturally the greatest progress has been made in those areas with major power sites as in Ontario, Quebec and British Columbia. In many places the use of coal has given way to electric energy for heating and steam purposes. Based on the actual output of central electric stations, the equivalent electrical production of the total water power installation in 1933 was 19,700,000,000 kw.h. Applying this to a conservative figure of 1.50 lbs. of coal per kw.h. indicates an actual saving for 1933 of 14,775,000 tons of coal.

'PHONE HEADS ARE CONFIDENT OVER OUTLOOK

Decline in Stations and Revenue Appears Checked

ADEQUATE PLANT

Returns in Recent Months Lead to Expectation That 1934 Will be Good Year

Telephone companies have appeared to check the decline in stations installed and toll traffic revenue. From 1930 to the latter part of 1933, the number of telephones in use in this country had declined in sympathy with the falling off in business. Long distance revenue also had been adversely affected. Consequently, the majority of telephone companies had to report smaller income from exchange service and toll traffic. This was reflected in lower dividend payments.

While operating and financial reports for 1933 did not reveal an improvement in the position of the telephone companies, it is noted in the statements of the presidents of the various organizations that in the closing months of 1933 a definite change for the better was recorded. In the case of the Bell Telephone Co. of Canada—largest system in the Dominion—C. F. Sise, president, expressed optimism over the immediate outlook for his company. His utterances, however, were cautious, having in mind the experiences of the past three years.

Quick to Come Back

The telephone or communication business is quick to reflect improvement in business conditions. Since the early summer, conditions in many lines of industry have been definitely better. While it is difficult to say whether or not the betterment so far is temporary or permanent, the change has worked to the benefit of the telephone companies. Stations installed on a number of systems have shown an increase, while long distance business has been substantially greater than in recent years.

While the majority of systems reported a loss in stations at the end of 1933, as compared with the close of 1932, installations are still in excess of 1,300,000 telephones, placing Canada among the largest users of this form of communication. The Dominion ranks second only to the United States in the number of telephones in use per 100 of population.

Investment Interest Limited

In Canada there are nearly 2,400 different telephone systems. While nearly all interlock and thus provide nation-wide service, there are only four telephone systems which are of major public investment interest. These, comprise the Bell Telephone Co. of Canada, operating in Quebec and Ontario; New Brunswick Telephone Co., operating in the province of the same name; Maritime Telegraph and Telephone Co., covering Nova Scotia and Prince Edward Island; and British Columbia Telephone Co., on the Pacific Coast. There is also a limited investment interest in the Quebec Telephone and Power Co., operating in the Lower St. Lawrence area.

Reports Reflect Conditions

During the past year all these systems sustained a decline in number of stations and revenue. Restricted business activity and dwindling incomes curtailed exchange services and toll traffic, while new installations were not sufficient to offset phones taken out of service.

Retrenchment has featured operations of the leading companies. Capital outlays have been restricted to necessities, while administrative costs have been cut to the bone. Nevertheless, there is a small amount of new capital work being carried on, though in most cases this work is taken care of out of earnings and not through the issuance of additional bonds or stocks.

Prepared for Increase

One feature of the telephone situation which stands out in a survey of current conditions is that in the past the companies have over-extended their facilities. Unlike many other branches of public service, the telephone companies build in anticipation of needs. Work often has to be planned several years ahead and in consequence the companies have in plant and equipment a reserve which can be used to take care of any unexpected increase in service demand.

In 1929-1931 the telephone companies completed work programmes which gave them plant and equipment beyond what was needed in 1932 and 1933. No large capital outlays are planned, therefore, in the near future. If the number of telephones in use continues to increase and toll traffic shows further gains, the additional volume of business can be handled by the companies without new building. This in turn should have a favorable effect on earning power as the operators are in position to take advantage of a change in conditions.

ELECTRIC BOILERS PROVE VALUABLE POWER INDUSTRY

Nearly 20 Per Cent of Total Output Used to Generate Steam

An outstanding development in the operations of central electric stations in Canada in recent years has been the rapid growth in the use of electric boilers for the purpose of utilizing off-peak or temporarily surplus power.

During 1933 the electric steam boiler provided the industry with a market for approximately $3,250,000,000 kw.h. This compares with 2,695,000,000 kw.h. in 1932 and represents roughly 20 per cent of the industry's entire output. The advance in consumption from 1932 to 1933, amounting to approximately over 500,000,000 kw.h., is indicative of the growth of this new outlet for power.

Use Boilers for Steam

The growing use of electric boilers has been particularly marked in the newsprint industry, which, in addition to large quantities of motive power, requires steam to be used in the manufacture of paper. Formerly it was the custom to develop steam by coal. When operations dropped to a point where the manufacturers were unable to utilize all the motive power for which they had contracted, it was found economical to convert the boilers to the use of electricity.

Shawinigan Power Helped

In this connection the research work of the Shawinigan Water and Power Co. is worthy of mention. This company supplies the industry with a large amount of power and in endeavoring to find a way for the economical use of the surplus energy was primarily responsible for the development of the electric boiler. The results obtained to date have been so satisfactory that a majority of the large newsprint operators have installed electric boilers.

Compete With Coal

It is recognized that the use of the electric steam boiler, is in the long run, a temporary expedient. Electricity must compete with coal; with a surplus of energy the central electric stations are able to sell their power on a basis which makes it economical for the newsprint manufacturers to use energy for the purpose of generating steam. As business conditions improve, moreover, the power operators will require more and more energy to meet firm power contracts. This will tend to limit energy available for use in electric steam boilers.

Development of "Human Relations" Is Present Need of Public Utilities

For twenty-five years or more public utility executives have been devoting their attention to the development and marketing of power. The rich and extensive power resources of the country have been developed on an economical basis and the energy created has been made available to the householder, industry and various forms of public services on a basis which puts Canada to the foremost among the nations using water power.

Three types of men have been responsible for this outstanding achievement—the visionary, the investor and the technician. The extensive water powers of this country have been known for many centuries, but their development on anything like an extensive scale was not undertaken until the beginning of this century. Water powers had been harnessed before that time, but they were, in the main, small, local affairs.

One of the first of the large scale operations in this country was started by Shawinigan Water and Power Co. In 1900 J. E. Aldred and his associates had the vision to see in the St. Maurice River a potential source of power on a scale equalled in few other places on this continent or in the world. These men were pioneers—sensing the importance of a large and cheap supply of power. It is true that the Niagara development was underway before Shawinigan's programme was undertaken, but it must be borne in mind that the Niagara development took place in a settled community. Shawinigan started in where Nature left off.

Early Pioneers Required Vision

It required vision to start in the wilderness a power development which in time would involve a capital outlay in excess of $100,000,000. There were no local consumers of any importance to absorb the output. The large centres of population were many miles away. The transmission of power over long distances without interruption was then only in its infancy. Yet Aldred and his associates had the ability to see the possibility of the harnessing of the St. Maurice River, just as others have since gone out and developed water powers in remote places.

These visionaries, or pioneers, were far-sighted men. They knew that industry would gravitate to cheap power. They picked their power site and harnessed the flow of the river. Even before their task was completed, industries were attracted. Communities of workers sprang up. Soon there were towns and later cities. Many of Canada's manufacturing centres of today owe their existence to the foresight of these men who had the vision to see the possibilities of water power.

Capital Took Chance in Early Days

But the development of these power sites and the establishment of communities in their proximity would not have been possible without capital. Credit must be given to the capitalist, banker and investor who risked their money in power properties in which the chances of success were far from being certain. Those investors have been well repaid for the chance they took. Today power securities are highly rated among investments. Not many years ago it was possible to say without fear of contradiction that no investor had ever lost money in Canadian utilities. A few companies have failed to come through the depression, but compared with the number that have, it must be admitted that the power industry offers one of the safest forms of investment.

Technical Personnel Has Kept Pace

The remarkable growth of the Canadian water power industry would not have been possible without the technician. In so far as the Canadian water power industry is concerned, one can safely say that the technical personnel is second to none. Many problems have confronted the operators. They were new to the industry, not only in this country but in other lands. These have been overcome. In the manner of power site development, plant equipment, transmission and distribution facilities, the power industry in this country is well to the fore.

Canada today is at a point where further power development on a major scale is some distance in the future. Most of the large power sites within reasonable distance of markets and large centres of population have been developed. The supply of power available for industrial, commercial and domestic purposes is sufficient to meet all ordinary needs for a number of years to come.

The next stage of development in the power industry does not lie in the direction of bringing more power on to the market, but in the enlargement of transmission and distribution facilities for domestic service. Progress has already been made in that direction, but a great deal remains to be done to bring the benefits of electricity to a larger percentage of the Dominion's population. What can be done along these lines is to be seen in such communities as western Ontario, Montreal, Winnipeg and Vancouver where a vast supply of low-cost energy has made possible the use of electricity for lighting, heating and the operation of many and varied forms of electrical apparatus.

The convenience of electricity for domestic services of one kind and another is universally acknowledged. In many sections of the country, however, energy has not been made available, or is too expensive for more widespread and intensive use. The improvement effected in the living conditions of those people in the areas that are well served has not gone unnoticed in other parts of the Dominion.

Weigh Private Ownership in Balance

With growing frequency other areas are asking themselves why are they not provided with the same service? They cannot understand why with an abundance of power, their rates are higher. They want to make greater use of the many time-saving and labor-saving electrical appliances put on the market but the cost of their operation is a handicap.

In many localities this questioning has taken on a political form. Public ownership prevails in Ontario for example and the case for public ownership has been made repeatedly by politicians in other parts of the country. The people served by privately owned power companies are loudly told that government ownership is preferable to the existing system.

Is it any wonder, in this era of Socialist drift that the opinion grows that control of public necessities should be state-controlled and that the service should be provided at "cost"? Even in Quebec—the stronghold of private ownership—the idea of public ownership has made definite headway.

The majority of the public utilities in this country are well aware of the value of public goodwill. One may look in the balance sheet of a power company, but one will never find that intangible item known as "goodwill." Yet thousands of dollars have been spent by the power operators in fostering better relations in the community which they serve. Many of the companies sincerely believe that their relations to the public are on a satisfactory footing. In many cases evidence is to the contrary.

The capital of private investors is at stake. If it is invested in a company that is inadequately handling the problem of relations with the public then the capital is in danger.

The record of the privately-owned power utilities in this country has been a good one. They do not need to fear an investigation of their stewardship. The basis on which their rates have been established is usually a fair one. None can say that they have been extravagant in their cost of operations, or that dividends paid to shareholders have been excessive.

Should Put All Cards on Table

These facts pertaining to their stewardship should be told by the privately-owned companies. They should tell the public why the rates in one part of the country are higher than in other parts. They should give complete particulars of their income and the way it is expended (unfortunately this is not always done). They should convince the public that they are endeavoring to provide an adequate service at a minimum cost, consistent with a reasonable return on capital.

Establish Department of "Human Relations"

Privately-owned power utilities should divorce themselves from the ill-advised policy of propaganda. Most have done so. Instead each one should establish a department of "human relations." This subject merits the same close attention as has been paid in the past to the financial and technical end of the business. It should be under the direction of one capable of analyzing and appreciating the fact that the public is the final judge. All the cards should be laid on the table and the consumer left to decide whether or not the privately-owned company's stewardship has been in the public's interest. In this way can the power operators counteract the increasing demand for more "government in business" and permanently cement their rightful claim to the position which they have ably filled in the past quarter of a century.

PULP AND PAPER IS PRIMARY MART ELECTRIC ENERGY

Nearly Third of Central Station Output Sold to Industry

Production of pulp and paper is Canada's most important manufacturing industry, as measured by both gross and net values of manufactured products, as well as by distribution of salaries and wages.

Canada for the past several years has led the world in production of newsprint, with approximately double the output of every other country and, as approximately half the newsprint produced in Canada is exported, the effect of the industry in producing a favorable trade balance is very great.

Cheap Power Essential

In the production of newsprint, according to a report issued by the Dominion Water Power and Hydrometric Bureau, low cost motive power is almost as important a factor as is an abundant supply of raw material. As approximately 100 h.p. is required per ton of daily output, motive power in this industry is practically restricted to water power. The outstanding position of the Canadian pulp and paper industry is due to the fortunate location of abundant water power, advantageously distributed among extensive forests.

Ranks as Largest Consumer

This industry, the largest individual consumer of industrial power, has a total hydraulic turbine installation of 600,996 h.p. In addition to this primary power, hydro electricity is purchased from central electric stations to operate a motor installation of more than 1,031,000 h.p., so that the hydraulic installations supply motive power to the industry to a total of more than 1,632,000 h.p. This represents more than 89½ per cent of the total power equipment of the industry.

Use Electric Boilers

Large amounts of hydro electricity are also purchased for use in electric boilers, to produce steam for heating and pulp-cooking. During 1932 the hydro electricity purchased by the industry totalled 5,759,795,132 kw.h., of which 2,695,075,726 kw.h., or more than 46¾ per cent was used in electric boilers.

Use of electric steam boilers has greatly increased recently, as the low cost of installation provides an economical means of using electricty, self-generated, or purchased, which may be temporarily surplus to the requirements for motive power.

Acknowledgment

Reproduction of the interesting composite picture on the front page of this section, together with the other photographs used in the issue, has been made possible through the courtesy of Montreal Light, Heat and Power Consolidated.

SHAWINIGAN

Power Output in 1933 Sets New Record — Conditions in Company's Territory Undergo Marked Improvement, Making Prospects More Promising

Shawinigan Water and Power Co. established an all-time record output of electrical energy in 1933. The sale of secondary power and demand for primary power over the past twelve months, developed to such an extent that the company found it necessary to rush the completion of the initial development on the Upper St. Maurice River at Rapide Blanc. Last month the first unit of 40,000 h.p. was brought into operation at Rapide Blanc and work is being continued on the installation of three additional units, to provide the company a further supply of power up to 160,000 h.p.

Operations of Shawinigan underwent a marked improvement last year. At this time a year ago the outlook for two of the company's principal outlets for power was not altogether satisfactory. The newsprint industry was operating at a low point and prospects for additional business did not seem very encouraging. The asbestos industry was in much the same position. In the last half of 1933, however, a marked improvement took place in both the asbestos and newsprint industries, with the result there was a sharp upward move in demand for power.

Cover Common Dividends

While the aggregate volume of power sales was larger than in 1932, the greater amount sold for secondary power requirements kept down revenues, including special income, to $11,945,863. This compared with $12,635,279 in 1932. This decline was largely offset by a reduction in the premium paid in the purchase of United States funds to meet bond interest. The amount available for distribution on the common stock equalled 84 cents a share. This was not as great as in 1932, owing to the fact that the company took the occasion to write off larger amounts for depreciation, etc.

Three Main Fields

In examining the current position and outlook for Shawinigan, consideration should be given to three factors: power sales in the industrial field and domestic lighting; chemicals; and investments in associated and allied companies.

The outlook in the industrial field is now far more encouraging than at this time last year. Prospects in the newsprint industry are that consumption and production of newsprint paper will be on a larger scale than in 1933. Production to date substantiates this view, while the trend of advertising (a controlling factor in consumption) is upward. There is also a fair possibility that the newsprint companies will be able to increase the price of their product, in which event the increased revenue will place the operators in a stronger position to meet their power contracts, all of which were in good standing at the end of 1933.

The asbestos industry has taken on a new lease of life. Production and sales have been substantially larger and this industry should prove an important outlet for Shawinigan's power during 1934.

Retail Business Growing

Retail sales have been encouraging. Power is distributed through various subsidiaries, such as Beauharnois Electric and others. The distribution system has been gradually extended and the sale of power through this medium is steadily growing in importance.

Chemical Division Prospering

The business of Shawinigan Chemicals Ltd., a wholly-owned subsidiary, showed a marked improvement during 1933. After deducting manufacturing costs, administration and other expenses, the balance before bond interest was $825,080. From this sum, there was applied to depreciation and absolescence reserve an amount of $411,800, leaving a surplus of $413,280. Out of this surplus there was paid to Shawinigan $310,530, constituting bond interest for the half year ended December 31, 1933.

The financial position of this subsidiary showed marked improvement last year. The chemical division has developed numerous new products. In addition, the demand for its established lines has shown marked improvement of late and prospects are that in 1934 Shawinigan Chemicals will take a larger amount of power from the parent company, as well as paying a larger return on the bonds held by Shawinigan.

Has Outside Interests

Miscellaneous sources of revenue to Shawinigan cover investments in various Quebec enterprises. The company owns a half interest in United Securities Corp., which in turn controls Montreal Tramways and Canadian Light and Power. Shawinigan also holds a controlling interest in Quebec Power Co., and has a substantial stock interest in Southern Canada Power and other utilities.

Another encouraging factor in regard to the outlook for Shawinigan is the much smaller premium paid on the purchase of United States funds to meet interest requirements on the company's funded debt. In 1932 and 1933 this charge constituted a heavy drain on the company's revenue. At one time the premium amounted to as much as 35 to 40 cents a share on the common stock. Present indications are that this premium will be a negligible item in 1934, so that if gross income is maintained, the company should have a substantially larger amount of revenue available for the common stock.

Capitalization—

	Authorized	Outstanding
Com., $2.50 ..	2,600,000 sh.	2,178,250 sh.

No par value.

Funded Debt—

1st mtge. and collateral trust bonds outstanding.

Series A, 4½%, due 1967 ..	$34,435,000
Series B, 4½%, due 1968 ..	15,917,000
Series C, 5% due 1970	14,980,000
Series D, 4½%, due 1970 ...	19,008,000
Series E, 5%, due 1972	*
Secured notes, 6%, due 1937..	†4,452,500

*$8,000,000 issued as security for the 5-year 6 per cent secured notes; $8,571,000 held by trustee for purposes of the company; balance of $1,429,000 redeemed and cancelled.

Dividend Record—

Common — Present rates 50 cents per share per annum, payable quarterly Feb., May, Aug. and Nov. 15. Initial quarterly dividend at present rate paid Nov. 15, 1932, and regularly since.

Head Office—Montreal.

Officers and Directors—

Officers — J. E. Aldred, chm.; J. C. Smith, pres.; H. Murray, vice-pres.; W. S. Hart, vice-pres. and treas.; J. Wilson, vice-pres. and sec.; P. S. Gregory, asst. gen. mgr.; H. G. Budden, asst. treas.; J. S. Riddle, asst. sec.

Directors—J. E. Aldred, J. A. Walls, New York; H. Murray, Sir Herbert S. Holt, J. C. Smith, W. S. Hart, Beaudry Leman, G. W. MacDougall, G. H. Duggan, J. Wilson, Lt. Col. H. Molson, Montreal; A. E. Dyment, Toronto; Col. G. P. Murphy, Ottawa, Ont.; J. H. Fortier, Quebec, P.Q.

Times Fixed Charges Earned:

	1933	1932	1931
Before deprec.	1.72	1.82	2.22
After deprec.	1.45	1.63	2.06

Earn. per Share and Div. Record:

	1933	1932	1931
Common: Earned ..	$0.85	$1.16	$1.91
Paid	0.50	0.75	2.25

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common ...	22¼	9¾	33	7¼	59½	32½

Shawinigan Falls Terminal Rly. Co.
(Wholly-owned by the Shawinigan Water & Power Co.)

Capitalization—

	Authorized	Outstanding
Common	$300,000	$300,000

Par $100.

Entire stock issue owned by Shawinigan Water & Power Co.

Funded Debt—

First mtge. bonds, 5 per cent, due 1957, outstanding $109,607. The Shawinigan Water & Power Co. owns all the bonds.

Head Office—Montreal.

Officers and Directors—

Officers—J. C. Smith, pres.; W. S. Hart, vice-pres.; W. A. Stitt, sec.; J. Wilson, treas., Montreal, Que.; B. G. Wood, gen. supt., Shawinigan Falls, Que.

Directors—J. C. Smith, W. S. Hart, H. Murray, J. Wilson, J. Morse, H. G. Budden, Montreal, Que.

QUEBEC POWER CO.

New Contract With City Strengthens Outlook — Net Income Covers Dividends for Past Year

Quebec Power Co., controlled by Shawinigan Water and Power Co., reports a decline in gross earnings for last year. Net revenue, however, was sufficient to take care of all charges, including dividends of $1 a share on the common stock and leave a small balance to be carried forward to profit and loss account.

The decrease in gross is accounted for through readjustment of the contracts with the City of Quebec, the suspension of the contract with the Murray Pulp and Paper Co., through the decrease in power consumption by industrial concerns in the Quebec area and also through the decrease in the consumption of gas. In addition there was no return from the company's investments in the Quebec Railway, Light and Power Co. This subsidiary owes the parent company $435,000 on account of unpaid interest on bonds held by the parent concern.

Enter Into New Contract

Probably the most important development in connection with Quebec Power over the last 12 months was the agreement made by the company covering the lighting and domestic service in the City of Quebec, thus settling a lengthy dispute over rates. Contract with the city is for a period of ten years from August 1, 1935. Reduction in rates for street lighting was made retroactive to May 1, 1933, and the reduction to the general public dates from January 1, 1934. Consequent upon this agreement, the company is now in a position to continue the improvement to the services in the City of Quebec, which it has gradually been carrying out for several years.

Operations of Quebec Power may be roughly divided into three divisions—light and power, gas and coke and street railways. The sale of electric power generated and purchased by the company has held up in a satisfactory manner, while the number of customers served by the company is over 45,000.

Returns from the gas plant in 1933 show a decrease in gas sold of approximately 9½ per cent. Coke sales on the other hand show a small increase as compared with the previous year.

In the street railway division the company suffered severely by the decrease in traffic. This division has been operated at a loss, while the Quebec Railway, Light and Power Co., a Quebec subsidiary, is not paying interest on the bonds owned by the parent company.

Capitalization—

	Authorized	Outstanding
Common	600,000 sh.	553,198 sh.

No par value.

Over 57 per cent of the outstanding common stock is owned by Shawinigan Water & Power Co.

Funded Debt—

First mtge. series A 5% bonds, due 1968	$7,987,500
Deb. stock A, 5%, due 1968..	3,748,133

Series B bonds, due 1972, issued $1,400,000*

Series B debenture stock, due 1972, issued $1,000,000†.

*$1,243,500 held in treasury; $156,500 redeemed by sinking fund.

†$817,500 held in treasury; $182,500 redeemed by sinking fund.

Dividend Record—

Common—$1 per annum, payable quarterly, Feb., May, Aug. and Nov. 15.

Rate was reduced from $2.50 per annum with payment of 50 cents per share Jan., 1932; from $2 per annum with payment of 38 cents per share May, 1932; from $1.50 per annum with payment of 25 cents per share Feb., 1933.

Head Office—Quebec, Que.

Officers and Directors—

Officers—Julian C. Smith, pres.; Howard Murray, vice-pres.; W. S. Hart, treas.; James Wilson, sec.; J. E. Tanguay, gen. mgr., Quebec; W. J. Lynch, asst. gen. mgr., Quebec, Que.

Directors — Hon. Lorne C. Webster, Julian C. Smith, Howard Murray, W. S. Hart, C. H. Branchaud, Dr. Milton L. Hersey, James Wilson, Hon. J. P. B. Casgrain, Montreal; John T. Ross, C. E. Taschereau, J. H. Fortier, Hon. George Parent, Hon. D. O. L'Espérance, A. C. Picard, Col. John H. Price, J. E. Tanguay, and J. S. Royer, Quebec, Que.

Times Bond Interest Earned:

	1933	1932	1931
Before deprec. ...	2.71	3.05	3.27
After deprec.	2.28	2.64	3.02

Earnings per Share and Dividend Record:

	1933	1932	1931
Common: Earned..	$1.36	$1.81	$2.24
Paid	1.00	1.38	2.37½

Market Record—

Common:	1933	1932	1931
High	24	29	49
Low	11	9¼	27

QUEBEC RAILWAY, LIGHT & POWER

Capitalization—

	Outstanding
Preferred	$ 750,000
Common	2,500,000

All owned by the Quebec Power Co.

Funded Debt—

6 per cent, 1st mortgage bonds A, due 1970; outstanding $2,000,000. All owned by Quebec Power Co.

6 per cent series B, due 1972, $1,000,000. All owned by Quebec Power Co.

Officers and Directors—

Officers—J. C. Smith, pres.; W. S. Hart, vice-pres.; H. G. Budden, sec.; J. Wilson, treas.

Directors — J. C. Smith, H. Murray, J. E. Tanguay, W. S. Hart, J. Wilson.

Mining Industries' Growth Linked with Power Supply

Canada's mining industry has developed into one of the major outlets for power produced by the central electric stations. According to the Federal Government's last census — 1931 — three quarters of the power used by the industry is hydro-electricity.

The amount of electric power used in metal mining was particularly marked, distribution to the industry reporting 83.1 per cent of its total power being supplied by electric motors.

Through compilation of returns shown hereunder, the mining industry has undergone marked expansion with a consequent increase in the demand for power. Gold mining in Ontario, Quebec and British Columbia has assumed boom proportions. The established mines have increased their productive facilities, while new properties brought into production have had a marked effect upon the operations of those power companies located in the mining territories.

POWER EMPLOYED IN THE MINING INDUSTRIES‡ IN CANADA, 1931

	Total power employed H.P.	—Electric Motors Operated— By purchased power H.P.	By power generated in the industries H.P.	Total motor capacity H.P.	Electric Power Per cent of total H.P.
Metal mining	248,399	198,579	7,849	206,428	83.1
Non-metal mining	50,718	42,903	1,507	44,410	87.6
Sand, gravel and stone	49,489	32,901	589	33,490	67.7
Coal, gas, petroleum	172,032	39,184	69,314	108,498	63.1
Total mining‡	520,638	313,567	79,259	392,826	75.5

‡Excluding non-ferrous smelting, salt, cement, clay products and lime.

DUKE-PRICE POWER

Outcome of Price Bros. Affairs Important to Company

Duke-Price Power Co.'s affairs over the past year have been closely bound up with the fortunes of Price Bros. and Co. The former is a wholesaler of power, its principal customers being the Aluminum Co. of Canada, Price Bros. and Co., Shawinigan Water and Power Co., Lake St. John Power and Paper, Consolidated Paper Corp. and the Saguenay Electric Light Co.

Price Bros. and Co. entered into a long term contract to take 100,000 h.p. annually from Duke-Price Power Co., for which it agreed to pay approximately $890,000 in American funds. Toward the end of 1932 the company found itself unable to live up to this obligation, and in the early part of 1933 Price Bros. went into bankruptcy.

At the time of the bankruptcy, Price Bros. and Co. owed Duke-Price Power Co. a large sum of money. Since the bankruptcy the company has used some Duke-Price power, but the revenue from this source has been restricted. The Duke-Price Power Co. is endeavoring to conclude an arrangement whereby this contract can be kept in force. To that end the Duke-Price Power Co., Lord Beaverbrook and Lord Rothermere have sponsored an internal reorganization of Price Bros. and Co. Negotiations along these lines are still continuing.

Can Pay Way

Other contracts of the Duke-Price Power Co. have been lived up to in full. It is said that the income from the "live" contracts is sufficient to take care of all operating expenses, depreciation and fixed charges.

Investment interest in the Duke-Price Power Co. is confined to the bonds; capital stock control is distributed as follows: approximately 53-1/3 per cent to Aluminum Co. of Canada, 20 per cent to Shawinigan Water and Power Co. and the balance to Duke-Price private interests.

Capitalization—

	Authorized	Outstanding
Common	300,000 shs.	210,000 shs.

No par value.

Approximately 53 1-3 per cent of the capital stock is owned by the Aluminum Co. of Canada; 20 per cent by the Shawinigan Water & Power Co.; and 26 2-3 per cent by Duke-Price private interests.

Funded Debt—

First mtge. 6% due 1966	$36,095,000
Five year 6% gold notes, due 1932 (extended to 1935) ...	3,500,000

Dividend Record — An initial dividend of $1.30 per share paid during 1932; none since.

Head Office—Montreal.

Officers and Directors—

Officers—E. K. Davis, pres.; Leighton McCarthy, J. H. Price, R. E. Powell, vice-pres.; J. H. Alger, sec.; G. O. Morgan, Jr., treas.; J. F. Van Lane, asst. sec.; F. L. Farrell, asst. sec. and asst. treas.

Directors—J. E. Aldred, E. K. Davis, W. R. Perkins, New York; J. H. Price, Quebec; Leighton McCarthy, J. F. Van Lane, Toronto; J. C. Smith, R. E. Powell, A Geoffrion, Montreal, Que.

Years End. Dec. 31:	1932	1931	1930
Times Bond Interest Earned—			
Before deprec, ...	1.62	1.56	1.53
After deprec.	1.32	1.26	1.27
Earnings per Share .	$2.82	$2.73	$2.82
Paid	1.30	...	...

SAGUENAY ELECTRIC
(Controlledby Duke-Price Power Co.)

Capitalization—

	Authorized	Outstanding
Common	$1,700,000	$750,000
Preferred	800,000	700,000

Par $100.

Majority of the issued stock owned by the Duke-Price Power Co.

Funded Debt—

First mortgage and collateral trust 5½% bonds, series A, due 1953, $1,326,000.

Head Office—Chicoutimi, Que.

Officers and Directors—

Officers—J. E. A. Dubuc, pres.; McNeely Dubose, vice-pres.; V. Dubuc, sec.-treas.; F. L. Farrell, asst. sec. and asst. treas.

Directors—J. E. Dubuc, McNeely Dubose, V. Dubuc, Chicoutimi, P.Q.; J. C. Smith, R. E. Powell, Montreal, P.Q.

Years End. Dec. 31:	1932	1931	1930
Times Bond Interest Earned—			
Before deprec.	1.33	1.48	1.45
After deprec.	0.91	1.06	1.03
Earnings per Share—			
Preferred	nil	$0.64	$0.31
Common	nil	nil	nil

No dividends have been paid.

MACLAREN-QUEBEC

Power Deliveries to Hydro Under Contract Started Last July

MacLaren-Quebec Power, a subsidiary of the MacLaren Power and Paper Co., has issued little in the way of information which would indicate its trend of earnings. The MacLaren company, on the other hand, has been in existence for many years and is given a high credit rating.

MacLaren-Quebec has contracts with the parent company to deliver 66,000 h.p. over a period of about 30 years. All of this power is being delivered. In addition the company has a contract to supply Ontario Hydro with 125,000 h.p. Initial deliveries under this contract began last July. In all, the company has contracts for 191,000 h.p. out of an ultimate maximum installation of 215,000 h.p.

Sell Bonds to Public

All the common shares of the company are owned by MacLaren Power and Paper Co. Public financing to date covers an issue of $12,000,000 of first mortgage bonds, but additional funds will be required to bring the project to completion.

Capitalization—

	Authorized	Outstanding
Common	250,000 shs.	50,000 shs.

No par value.

All except directors' qualifying shares, owned by MacLaren Power & Paper Co.

Funded Debt—

1st mtge. series A. 5½%, due 1961, issued $12,000,000.

Head Office—Buckingham, Que.

WEST KOOTENAY POWER

Further Development Likely as Parent Company Expands

West Kootenay Power Co., controlled by Consolidated Mining and Smelting Co. of Canada, is expected to produce a better financial statement for 1933 than was the case in 1932. This improvement reflects the better operating conditions experienced by the parent company of whose products the production and sale has tended upward in recent months.

West Kootenay is the largest producer and distributor of power in the southern British Columbia area. It sells the major share of its output to Consolidated Smelters. In addition the company supplies power and light service to districts bounded by Nelson on the northeast, Allenby on the west, includes the Okanagan Valley down to the international boundary. The principal centres served are Rossland, Trail, Tadanac Smelters, Grand Forks, Kelowna, Penticton, Oliver, Princeton, Greenwood, etc.

Meet Larger Demand

The parent company's operations have expanded substantially in recent years. Mining activities and the operation of the smelter at Trail, have demanded larger quantities of power for motive purposes and metallurgical processes. To the end of meeting this demand, West Kootenay Power has greatly added to its productive capacity.

Toward the middle of last year, it was announced that the company might carry out further expansion if the big fertilizer plant of Consolidated Smelters can use seasonal power for about seven months of the year. According to Lorne A. Campbell, vice-president, the Kootenay River power site has not yet been fully developed and an additional 120,000 h.p. may be obtained through development of power near Brilliant, on the Kootenay. The carrying out of this plan would bring the company's total installed productive capacity up to 340,000 h.p.

Growth in Prospect

Another matter under consideration is the possible development of an additional power site at Pend 'Oreille, about 10 miles from Trail. These developments, of course, are only in the formative stage but a moderate improvement in business conditions would be so beneficial to Consolidated Smelters that it would be feasible, probably necessary, for West Kootenay Power to carry out further power development work.

Capitalization—

	Authorized	Outstanding
Common	$14,500,000	$6,112,000
Preferred, 7%..	500,000	500,000

Par $100.

Entire common stock owned by Consolidated Mining & Smelting Co.

Funded Debt—

1st mtge. S. F. bonds, 5 per cent, series A, due 1956, outstanding $6,500,000.

Dividend Record—

Preferred—7 per cent per annum, cumulative, payable 1st Jan., April, July and Oct.; paid regularly.

Common—15 per cent paid in 1930; 12 per cent in 1931; 10 per cent in 1932.

Head Office—Trail, B.C.

Officers and Directors—

Officers—J. J. Warren, pres.; L. A. Campbell, vice-pres. and gen. mgr.; F. E. McNally, sec.-treas., Montreal; C. B. Smith, asst. sec.-treas., Rossland, B.C.

Directors—J. J. Warren, E. W. Beatty, E. Hanson, G. F. Benson, E. B. Hosmer, Rt. Hon. Lord Shaughnessy, Montreal; L. A. Campbell, Rossland, B.C.

Years End. Dec. 31:	1932	1931	1930
Times Bond Interest Earned:			
Before any deprec...	4.03	6.64	12.96
After all deprec.....	1.87	3.81	7.65
Earn. per Share and Div. Record:			
Pref.: Earned	$39.96	$94.62	$158.17
Paid	7.00	7.00	7.00
Com.: Earned† ..	2.70	7.74	12.36
Paid	10.00	12.00	15.00

†Based on surplus for year only.

POWER SUPPLY GAINS FURTHER IN PAST YEAR

(Continued from page 17)

ment operated by the industrial plants and of motors operated by purchased power, totalled 4,114,679 h.p., of which the motors operated by purchased power were rated at 2,587,411 h.p., or more than 62.8 per cent of the total equipment.

In each of the nine basic groups into which the census classifies Canadian industry, the motor equipment maintained for operation by electricity purchased from the central stations considerably exceeds the total equipment maintained for the production of power. This is particularly marked in the miscellaneous industries and in the non-metallic mineral groups where 85.0 and 80.4 per cent respectively of the total power equipment is operated by purchased power. In the nine groups only four purchase power to operate less than 70 per cent of their equipment. The wood and paper group, which has motor equipment approximately 3½ times that of the next largest power-using group, is the only one which operates less than 60 per cent of its equipment by purchased power, this equipment represents 54 per cent of the group's total power equipment.

The investment represented by the present hydraulic installation of 7,332,070 h.p. has been conservatively estimated at $1,675,000,000. This estimate is based largely upon figures of the central electric station census, which includes more than 80 per cent of the installation. The estimate takes cognizance of the many varying factors entering into the development and use of hydraulic power.

Electric Light and Power
Street Railway
Gas Heating and Lighting

A reliable, old established company giving assured service at the lowest rates

Our engineering service is always at the disposal of our patrons or prospective patrons, and we shall be very pleased to furnish information or assistance.

NEW BRUNSWICK POWER COMPANY
SAINT JOHN, NEW BRUNSWICK

MAR. ELECTRIC

Associated Gas Subsidiary Serves Wide Area in Maritimes

Power requirements of Fredericton and St. Stephen, N.B., Charlottetown, P.E.I., Bridgetown and Lawrencetown, N.S., and Calais, Me., are met by the Maritime Electric Co., a subsidiary of Associated Gas and Electric Co. of the United States. The company's properties include three steam and two hydro-electric plants having a combined installed capacity of 2,800 kilowatts. More than 8,000 customers are supplied.

Completion of the New Brunswick Power Commission's central electric steam station at Grand Lake three years ago has enabled Maritime Electric to purchase power requirements from that source. It has contracted for a minimum of 3,500,000 kilowatt hours a year which is distributed in Fredericton and surrounding districts, formerly served by the company's steam plant in Fredericton.

Capitalization of the company consists only of common stock, all of which is held by Associated Gas. No financial statement or operating report has been issued by the company, such particulars being consolidated with those of the parent organization.

Capitalization—

	Authorized	Outstanding
Common	$1,000,000	$350,000

Par $100.

Officers and Directors—

Officers—F. H. Golding, pres.; T. J. Coleman, I. T. Haddock, J. F. McKenna, vice-pres.; H. C. Moore, Jr., sec.-treas.

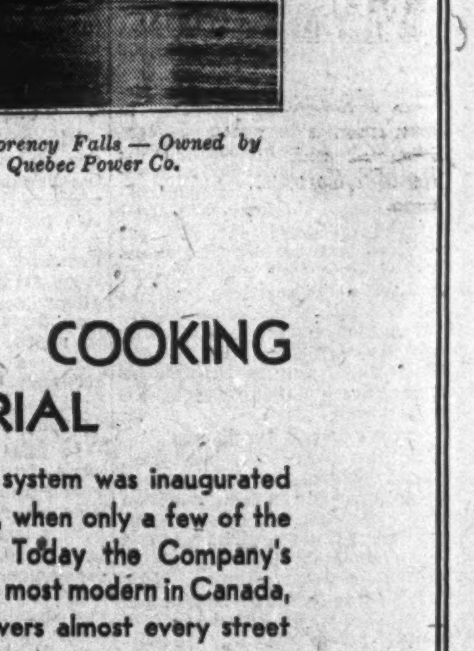
Directors—S. J. Magee, H. C. Moore, Jr., I. T. Haddock, F. H. Golding, Warren Partridge.

QUEBEC POWER COMPANY
POWER BUILDING - - QUEBEC

Operating in the District and in the City of Quebec, the terminus of the largest ocean-going vessels entering the St. Lawrence River

POWER
LIGHTING - COOKING
HEATING - INDUSTRIAL

The first power plant was established in Quebec in 1890. Developing and progressing year by year, the present power system renders a public service second to none on the continent. Now owns and operates five power plants, and is interconnected with the Shawinigan System. Supplies the cities of Quebec and Levis, and 83 other towns and municipalities in the surrounding district.



Montmorency Falls — Owned by Quebec Power Co.

GAS
HEATING - COOKING
INDUSTRIAL

St. Lawrence River Transmission at Quebec Bridge

The first gas plant and piping system was inaugurated in the City of Quebec in 1849, when only a few of the principal streets were piped. Today the Company's vertical retort plant is one of the most modern in Canada, and the distribution system covers almost every street in the City.

TRANSPORTATION

The first electric cars started operation in Quebec on July 20th, 1897. The equipment consisted of 36 single truck cars. Today the Company operates over 140 cars, mostly double truck, and operates over 76 miles of track, has two car sheds and a modern workshop in Limoilou.

Public Utilities Rendering the Utmost in Good Service to the Citizens of Quebec and District

PORTO RICO POWER

Expect Income for 1933 Will Cover Charges — Free of Hurricanes

No out of the way developments are reported to have occurred in connection with operations of Porto Rico Power Co., subsidiary of International Power Co., over the past twelve months. This company, which operates an electric light and power system in San Juan and adjoining municipalities, together with the tramway system and an eighteen-mile steam railway, is the principal operating unit and source of revenue for International Power.

During 1932 the company received a setback due to heavy losses caused by a hurricane. This was the second hurricane experienced by the company in the last eight years and the loss to the company on this account has aggregated over $500,000.

Delay in Reports

There was considerable delay in publishing the 1932 report. It is understood that the statement for 1933 will be made available at a much earlier date this year. While no statements have been issued by the management as to the trend of earnings, it is unofficially reported that income will be on a basis comparing favorably with 1932. Such being the case, and with the elimination of hurricane damage losses, the company should be able to show the regular dividend of 8 per cent on the common stock earned by a comfortable margin.

Investment interest in this company is confined to the bonds and preferred stock.

Capitalization—	Authorized	Outstanding
Common	$4,000,000	‡$3,000,000
Pref. 7% cum. ..	1,000,000	1,000,000
Par $100.		

‡ Approximately 97% of the common stock owned by the International Power Co.

Funded Debt—	Authorized	Outstanding
First mtge., 5%, due 1936	$3,000,000	*$1,670,500
Refund. mtge., 5%, due 1962 .	7,300,000	973,333
Sink. fund debs., 6%, due 1950 .	2,000,000	1,000,000

* Of which $24,904 has been purchased by the company and is held for sinking fund purposes.

Dividend Record—
Preferred—7% quarterly, cumulative, payable Jan., April, July and Oct. 1. (Paid regularly since initial dividend on Jan. 2, 1910.)

Head Office—Montreal.
Officers—I. W. Killam, pres.; Hon. W. D. Ross, chm. of the board; F. C. Clarke, sec.-treas.; L. G. Proctor, asst. sec.
Directors—I. W. Killam, F. C. Clarke, C. W. Allen, S. B. Hammond, H. J. Symington, Montreal; Hon. W. D. Ross, Toronto.

Year End. Dec. 31:	1932	1931	1930
Times All Interest Earned:			
After deprec.	$2.25	2.70	2.06

* After deducting loss occasioned by hurricane.

Earnings per Share and Dividend Record:	1932	1931	1930
Pref.: Earned	$30.39	$43.08	$28.46
Paid	7.00	7.00	7.00
Com.: Earned	7.80	12.03	7.15
Paid	8.00	8.00	4.00

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Preferred ..	60	45	..	..	70	64

East Kootenay Power

Revenue Shows Advance

From Our Own Correspondent

MONTREAL. — East Kootenay Power Co., a subsidiary of Power Corp. of Canada, reports a gross income in January, 1934, of $37,551, an increase of $4,286 over the same month last year. Operating expenses were reduced by $750, leaving net earnings of $25,346, as against $20,130 for January, 1933.

Cumulative returns for the ten months ended January 31, 1934, show gross income of $339,095, expenses $111,657 and net earnings $227,438. For the same period of the preceding year, gross revenue totalled $357,398 and net operating income $240,214.

INTERNATIONAL POWER

Expect Larger Revenue for 1933 — Bank Loans Feature of Financial Statement — Current Information is Lacking

Lack of interim reports or statements by the management make it difficult to follow current developments of International Power Co. Properties under control of this organization are located in Newfoundland, Central and South America. In the last two years or so earnings have been affected by substantial exchange losses on remittances and the premium paid on the purchase of United States funds to take care of interest payments.

The loss on remittances and exchange during 1932 totalled $200,000. In order to provide for any further losses the management set up in reserve a further amount of $100,000 out of surplus.

Expect Larger Earnings

Last November the president reported that since the beginning of 1933 consolidated operating earnings were on a better basis than in 1932. It was said at that time that it was hoped a sum of $700,000 would be applied toward a reduction of the current floating indebtedness.

The financial position of International Power has not been altogether satisfactory. At the end of 1932 bank loans amounted to $4,199,951. In addition there were bills payable amounting to $217,161. While these items bulk largely among the current liabilities, it is noted that these liabilities were reduced by about $1,000,000 during 1932.

No particulars are available as to current indebtedness of the company, the report for 1933 not having been published as yet. The statement, when it makes its appearance, is expected to show the continued existence of large bank loans. In addition some arrangement will have to be made by the company for the redemption of the short-term notes at the middle of this year.

Dividend is Deferred

Owing to the unsatisfactory exchange situation and heavy financial obligations dividends on the preferred stock were discontinued after October 1, 1931. Little prospect is held out for a resumption of dividends, I. W. Killam, president, saying that as existing monetary conditions still make it impossible to market securities on a reasonable basis, consideration cannot be given to a resumption of dividends.

The main operating subsidiary of International Power is Porto Rico Power Co., from which the major proportion of the holding company's revenue is derived. Other subsidiaries are active in Newfoundland, Bolivia, British Guiana, Venezuela and San Salvador, as well as Mexico. The operating results of these subsidiaries are varied and no marked improvement is looked for until monetary stabilization is brought about by the various countries in which the companies operate.

Capitalization—	Authorized	Outstanding
Common	220,000 sh.	115,610 sh.
No par value.		
1st pref., 7% ...	$15,000,000	$8,000,000
2nd pref., 6%	2,000,000	2,000,000
Par $100.		

Funded Debt—	
Gold debs., 6½%, due 1957 ...	$3,000,000
Do., 6%, due 1957	2,000,000
6% collateral notes, due 1933*	800,000
7% collateral notes, due 1934, outstanding	59,500

* Renewed to mature June 1, 1934. Amount outstanding reduced to $700,000 during 1933.

Dividend Record—
First Preferred—7 per cent per annum, payable quarterly, 1st Jan., April, July and Oct. Paid regularly to and including Oct. 1, 1931; none since.
Second Preferred—Cumulative from Mar. 1, 1927. None paid to date.
Common—None paid to date.

Head Office—Montreal.

Officers and Directors—
Officers—I. W. Killam, pres.; F. C. Clarke, sec.-treas.; L. G. Proctor, asst. sec.
Directors—I. W. Killam, Russell D. Bell, F. C. Clarke, H. J. Symington, Montreal; J. H. Price, Quebec, Que.; Hon. W. D. Ross, L. M. Wood, Toronto; O. E. Smith, Halifax, N.S.; G. MacGregor Mitchell, Halifax, N.S.; W. H. Chase, Wolfville, N.S.; C. A. C. Bruce, St. John's, Newfoundland.

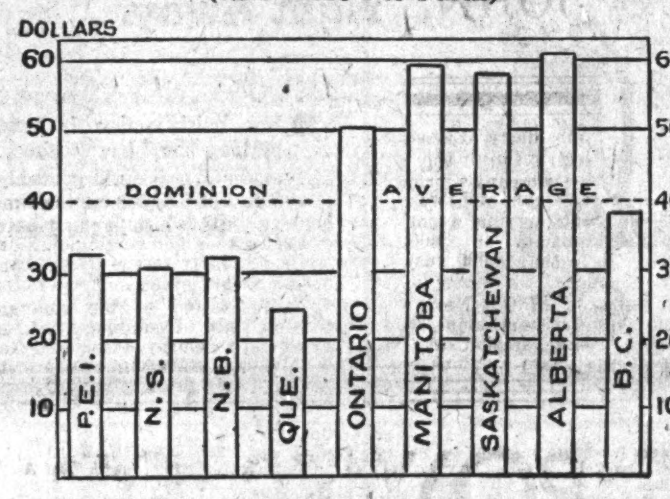
Year End. Dec. 31:	1932	1931	1930
Times deb. int. earn.	1.46	2.78	2.79
Earnings per Share and Dividend Record:			
First pref.:			
Earned	$2.06	$7.11	$7.05
Paid	nil	5.25	7.00
2nd Pref.: Earned	nil	*0.44	0.19
Paid	...	...	...
Common stock: None earned or paid.			

* After deduction of full year's dividend on 1st preferred.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common	5	2	2½	2½	8	5
Pref. 1st ...	24	8	20	20	73	56¼

Annual Average Outlay on Light and Power

(In Dollars Per Farm)



BOLIVIAN POWER
(Owned and controlled by the International Power Co.)

Capitalization—	Authorized	Outstanding
Common	$3,000,000	*$3,000,000
Par $100.		

*Approximately 77 per cent held by International Power Co.

Funded Debt—
1st mtge. bonds, series A, 8 per cent, due 1945, outstanding $1,482,000.

Dividend Record—
None paid since Dec., 1929.

Executive Office—Montreal.

Officers and Directors—
Officers—I. W. Killam, pres.; F. C. Clarke, sec. and treas.; L. G. Proctor, asst. sec
Directors—I. W. Killam, N. S. Brooke, S. B. Hammond, F. C. Clarke, Montreal, Que.; A. Dumaine, Paris, France.

DEMERARA ELECTRIC
(Controlled by International Power)

Capitalization—	Authorized	Outstanding
Common	$425 000	*$425,000
Par $100.		

*Over 50 per cent held by parent company.

Dividend Record—
None paid since 1915.

Funded Debt—
1st mtge. 5% bonds, due 1929*, outstanding $500,000.
*All owned by parent company.

Executive Office—Montreal.

Officers and Directors—
Officers—I. W. Killam, pres.; H. McR. Jones, vice-pres.; F. C. Clarke, sec.; L. B. Philpot, mgr.
Directors—I. W. Killam, G. A. Gaherty, N. S. Brooke, F. C. Clarke, H. McR. Jones, Montreal; H. R. Silver, H. E. Mahon, Halifax, N.S.

CANADA ELECTRIC

Large Expenditures Made in Recent Years to Care for Growth

Operations of Canada Electric Co. are carried on at Maccan, N.S., and energy is distributed to Amherst, Sackville, Springhill and intervening points. The company does not issue a financial statement. There is no public interest in its securities, ownership being vested in the Central Station Power and Light Corp., part of Utilities Power and Light System, which acquired the company in 1930 from Maritime Coal, Railway and Power Co.

Since that date substantial extensions to the plant have been made involving an expenditure of over $500,000. A 750 h.p. boiler, with modern auxiliary equipment and designed to burn pulverized coal was erected at Maccan, together with an outside sub-station switching equipment and a modern control system.

Another phase of the development programme was construction of a 22,000 volt transmission line from Chignecto to Amherst, as well as one from Maccan to Joggins.

Capitalization—	Authorized	Issued
Common	$500,000	$300,000
Par $100.		

All the capital stock is owned by Central States Power & Light Corp.

Funded Debt—
1st mtge. 5½ per cent gold bonds, outstanding $1,068,000.

Officers and Directors—
Officers—H. T. Pritchard pres.; N. T. Avard, vice-pres. and gen. mgr.; W. A. Horner, sec.; D. H. Bender, treas.; W. R. Ross, asst. treas.
Directors—H. T. Pritchard, New York; J. N. Canavan, H. C. Orton, F. E. Matthews, O. E. Koegel, Chicago; N. T. Avard, Amherst, N.S.

C. N. Steamships Change

To Cater to Banana Trade

Because temperatures in the cold storage space provided in the "Lady" line of Canadian National Steamships were too cold for the transport of bananas from the British West Indies, 12,000 cu. ft. of cool air space has been provided in each vessel to cater to this trade.

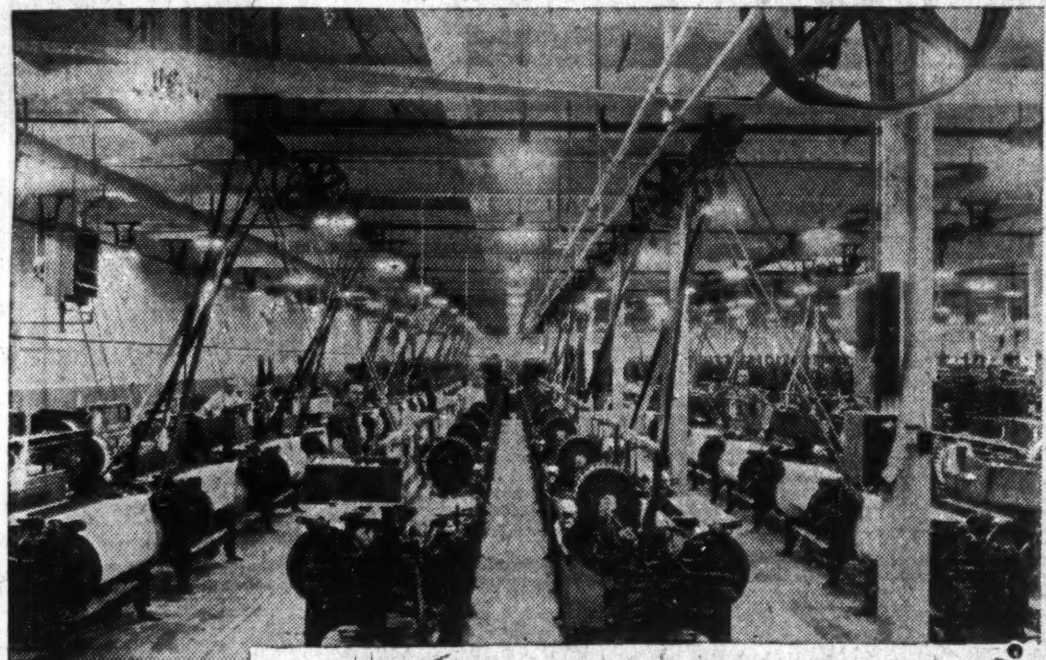
Eventually, it is announced, if the increase in trade warrants, this 12,000 cu. ft. may be increased to some 35,000 cu. ft., which should prove adequate for the transportation of about 25,000 stems of bananas in each ship.

Canada's supplies of bananas have been obtained principally from Jamaica during the past few years. Of the 3,960,197 stems, valued at over $2,000,000, imported during 1932, a total of 3,329,000 stems valued at $1,160,000 came from Jamaica. Efforts have been made by other islands to profit by the cultivation of bananas, and it is probable that a quantity will be shipped to Saint John and Halifax from Demerara, Trinidad, Granada, St. Lucia, Dominica and Montserrat aboard Lady Drake, Lady Nelson and Lady Hawkins.

Silver Fox Returns

During the past few days more than half a million dollars have been distributed to silver fox ranchers in Prince Edward Island, operating through the three marketing organizations at Summerside.

BROWNE, URQUHART & CO., LIMITED
Investment Bankers
Specializing in Public Utility Securities
266 ST. JAMES ST. WEST HARBOUR 2111*
MONTREAL



General Electric lighting installation at the new Powdrell and Alexander Mill, Cornwall, Ontario.

PLANNED LIGHTING PAYS . . .

THIS is proved by the experience of firms engaged in all types of Canadian business. They have found that by lighting their offices or plants according to a scientific plan, they improve efficiency, speed up production, enhance appearance, reduce spoilage, improve working conditions and prevent accidents.

Perhaps the lighting in your place of business might be improved. Why not call on the Canadian General Electric engineers to check your lighting plan and give you authoritative advice on all matters pertaining to lamps and lighting?

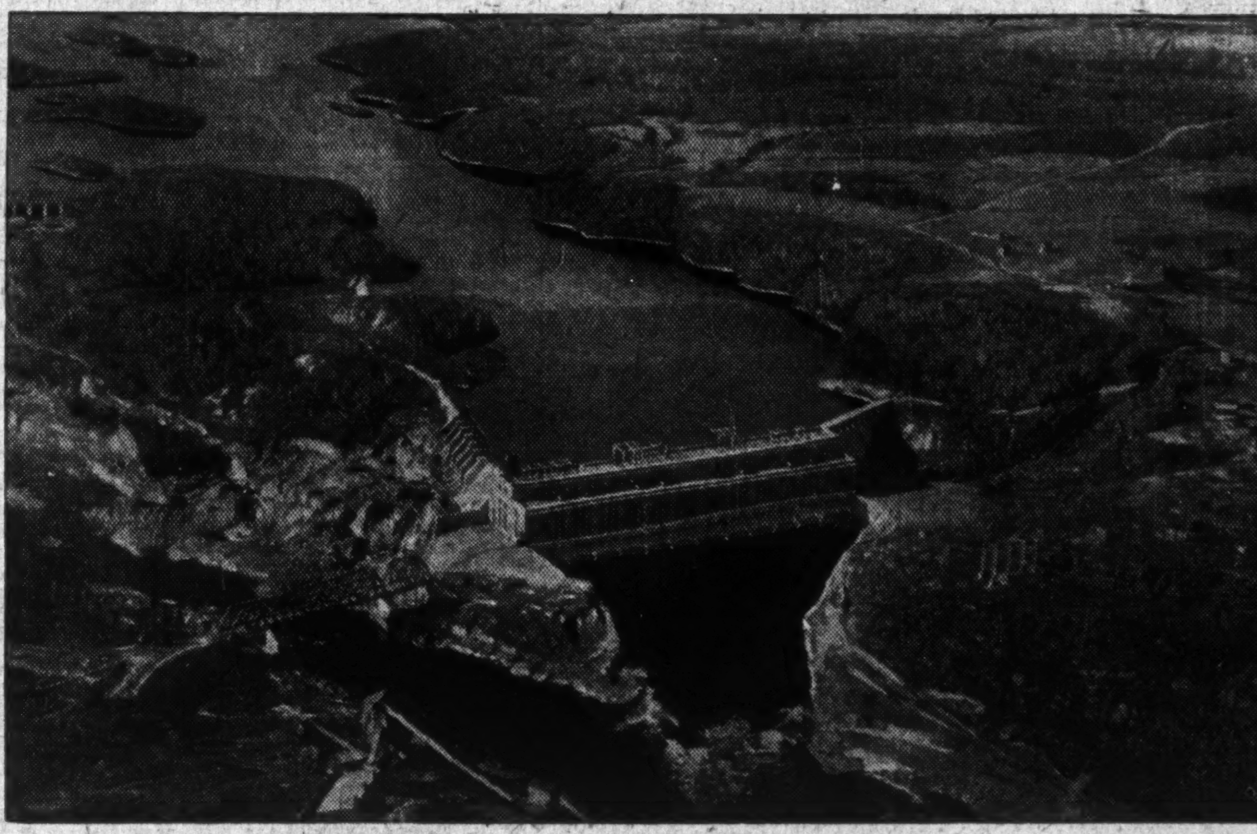
Our Lighting Service Department is maintained for the purpose of helping lamp users to get the best possible type of light for their lighting investment. Get in touch with the nearest C.G.E. branch office and ask to have a Lighting Service representative pay you a call. Find out for yourself why many leading Canadian firms have discovered that planned lighting pays!

EVERYTHING ELECTRICAL
Made in Canada

CANADIAN GENERAL ELECTRIC COMPANY LIMITED

CGE-44

DUKE-PRICE



The Half-Million Horse Power Hydro-Electric Development at Isle Maligne

SERVES THE LAKE ST. JOHN—SAGUENAY EMPIRE

The Saguenay offers to Industry

- ABUNDANT POWER
- LOYAL LABOUR
- VAST TIMBER RESOURCES
- A GATEWAY FROM THE NORTH
- TIDE-WATER PORTS

• Duke-Price Power Company, Limited, Saguenay Transmission Company, Limited, and Saguenay Electric Company have played an important part in the development of industry in the Saguenay.

DUKE-PRICE POWER COMPANY LIMITED
Head Office • Montreal

MONTREAL POWER

Earnings Are Maintained on Relatively Satisfactory Basis — Secure Control of Beauharnois — Acquire More Municipal Plants

Montreal Light, Heat and Power Cons., one of Canada's leading utility operators, has maintained its position, though operations and income have not been unaffected by business conditions. From the beginning of 1934 till the end of the first week in February, however, the company's light and power departments reported accumulative output 9.33 per cent greater than for the corresponding period of last year.

Gas production this year, while failing to make quite as good a showing as power, has nevertheless shown an improvement, with progressively smaller declines than in comparative periods in the preceding years. In January, 1933, gas production was seven per cent below the same month in 1932, whereas for this year there is a decline of slightly over three per cent.

Earned $1.79 a Share

Montreal Power's financial statement for 1933 showed net earnings equivalent to $1.79 a share on the common stock. This compared with $1.98 a share in 1932.

Operations last year started badly and grew progressively worse during the first seven months period. The last five months, however, there was a distinct improvement.

Sales of primary power during 1933 amounted to 1,243,333,740 kw.h., as compared with 1,223,313,210 kw.h. for 1932. In neither case was consideration given to the sale of secondary power, which amounted to approximately 26,000,000 kw.h. in 1932. Secondary power sales were larger in 1933, but the company has not made public any official figures.

Gas sales in 1933 aggregated 5,380,856,000 cu. ft. This compared with sales of 5,897,340,000 cu. ft. in the previous year.

As in former years, no particulars have been made public by the company as to income from investments.

Customer Stock Issue

Under the customer ownership campaign in 1930, $29,409,370 of debentures were subscribed for. At the end of 1933, $25,841,800 of fully paid up debentures were issued. Partial payments amounted to $686,103, while $2,881,447 remained unpaid. Thus, at the end of last year there remained partially or unpaid $3,557,550 of the securities subscribed for by customers three years ago.

At the close of 1932, the company's reports showed partial and unpaid subscriptions to the amount of $6,182,200. The amount of fully paid up debentures issued during 1933, therefore, increased $2,614,650 to $25,841,800.

Control Beauharnois

One of the most important developments in connection with Montreal Power's operations last year was the adoption of the plan for the reorganization of Beauharnois Power Corp. The company undertook to underwrite the balance of financing to complete the enterprise. In return for accepting this responsibility, the company secured a block of common stock, which together with that already held, gave it control of the enterprise.

The amount of bonds underwritten by Montreal Power was roughly $13,500,000. From the time the plan was reorganized until the end of 1933, $4,758,000 of bonds were sold to the public, so that Montreal Power still has a liability in respect to the underwriting of the remainder of the $13,500,000 of bonds, namely, $8,742,000.

In consequence of this deal, Montreal Power is in control directly or indirectly of practically every developed power site of any importance in or near Montreal. The power which the company has contracted to take from Beauharnois will adequately provide for all requirements for many years to come.

Consolidating Position

As regards its own field of operation, Montreal Power has continued its unobtrusive policy of securing control of the light and power distributing facilities on the Island of Montreal and the South Shore of the St. Lawrence River. Last year, it acquired a number of municipal plants, notably those of Verdun and Point Claire, with the result that the company now controls all municipal lighting services on the Island of Montreal with the exception of three cities and towns. In addition, a contract has been entered into with the City of Westmount, whereby the latter will purchase its power requirements from the former and sell on a basis mutually agreeable.

Further mention should be made of Montreal Power's associated enterprises. Notable among these is United Securities, in which Montreal Power has joint control with Shawinigan. This company controls Montreal Tramways Co. and Canadian Light and Power. Montreal Power also owns a half interest with the De Koppers in Montreal Coke and Manufacturing Co. It also controls Montreal Island Power, and has many millions of dollars invested in a well diversified list of Canadian and American securities.

Capitalization—	Authorized	Outstanding
Common	10,000,000 sh.	4,488,933 sh.

No par value.

Funded Debt—
1st refund. and coll. trust 5%, series A, due 1951, outstanding $28,232,000; series B, 5%, due 1970, outstanding $11,602,500.
Convert. debs. 3%, due 1939, $25,841,800.

Dividend Record—
Common—$1.50 per share per annum, payable quarterly, on the last days of Jan., April, July and Oct.

Head Office—Montreal.

Officers and Directors—
Officers—Sir Herbert S. Holt, chm.; John S. Norris, pres.; G. H. Montgomery, vice-pres.; C. S. Bagg, vice-pres. and gen. mgr.; S. Godin, vice-pres.; G. R. Whatley, sec.; C. C. Parkes, asst. sec.; P. C. Drake, treas.; A. N. Sainte-Marie, asst. treas.
Directors—J. E. Aldred, New York; G. Caverhill, S. Godin, Jr., Sir Charles B. Gordon, Sir Herbert S. Holt, J. C. Smith, John S. Norris, J. W. McConnell, G. H. Montgomery, T. B. Macaulay, Hon. J. M. Wilson, Hon. J. P. B. Casgrain, Montreal, P.Q.

Earnings per Share and Dividend Record:

	1933	1932	1931
Com: Earned	$1.80	$1.95	$2.17
Paid	1.50	1.50	1.50

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common ..	42¼	26⅛	39¼	20⅛	68¼	38

CEDAR RAPIDS MANUFACTURING
(Controlled by Montreal Light, Heat & Power Consolidated)

Capitalization—	Authorized	Outstanding
Common	$10,000,000	$8,900,000

Par $100.
Over 99 per cent of the stock is held by the Montreal Light, Heat & Power Consolidated.

Funded Debt—
First mortgage 5 per cent bonds, due 1953, outstanding $13,725,000.

Dividend Record—
Three per cent per annum payable quarterly, on the 15th of Feb., May, Aug. and Nov., on all unexchanged stock.

Head Office—Montreal.

Officers and Directors—
Officers—J. S. Norris, pres.; G. H. Montgomery, vice-pres.; C. S. Bagg, vice-pres. and gen. mgr.; G. R. Whatley, sec.; C. C. Parkes, asst. sec.; P. C. Drake, treas.; A. N. Sainte-Marie, asst. treas.
Directors—J. E. Aldred, New York; J. S. Norris, Sir Herbert S. Holt, G. H. Montgomery, J. W. McConnell, Montreal.

QUEBEC-NEW ENGLAND HYDRO
(Wholly owned by Montreal Light, Heat & Power Consolidated)

Capitalization—
Authorized and issued, $350,000.
All owned by Montreal Light, Heat & Power Consolidated.

Funded Debt—
Montreal Public Service first and refunding 5 per cent bonds, due 1942, outstanding, $2,968,000.

Officers and Directors—
Officers—J. S. Norris, pres.; C. S. Bagg, vice-pres.; G. R. Whatley, sec.-treas.
Directors—J. S. Norris, C. S. Bagg, G. R. Whatley, G. H. Montgomery, H. B. Pope.

MONTREAL LIGHT, HEAT & POWER
(Controlled by Montreal Light, Heat & Power Consolidated)

Capitalization—	Authorized	Outstanding
Common	$22,000,000	$18,800,000

Par $100.
Over 99 per cent of this stock owned by Montreal Light, Heat & Power Consolidated.

Dividend Record—
Eight per cent per annum payable quarterly on the 15th Feb., May, Aug. and Nov.

Head Office—Montreal.

Directors and Officers—Same as Montreal Light, Heat & Power Consolidated, with the exception of J. W. McConnell and Hon. J. M. Wilson who are not on the board of this company.

PROVINCIAL LIGHT & HEAT
(Controlled by Montreal Light, Heat & Power Co.)

Capitalization—	Authorized	Outstanding
Common	$500,000	$500,000

Par $100.
Over 99 per cent held by Montreal Light, Heat & Power Co.

Funded Debt—
First mortgage 5 per cent bonds, due 1946; outstanding, $869,000.

Head Office—Montreal.

Officers and Directors—
Officers—Same as Montreal L., H. & P. Company.
Directors—Sir Herbert Holt, J. S. Norris, S. Godin, Jr., G. H. Montgomery, all of Montreal; J. E. Aldred, New York.

MONT. ISLAND POWER

Limited Capacity Cause of Dissatisfaction to Shareholders

Montreal Island Power continues to be confronted with difficulties in connection with the supply of water to operate its power plant on the Back River near Montreal. The flow of the Back River varies from 95,000 to 15,000 cu. ft. per second, consequently, at times there is too much water, which results in floods, and other times insufficient water, with the result that there are deficiencies in power to meet contract commitments.

The unusual variations of the water flow were taken into consideration by the company's engineers and in the original plans for the construction of the plant, provision was made for the installation of ten units which would allow the company to take full advantage of the river flow. To date, however, the company has only installed six units. It is claimed that the water available will not permit the installation of a larger number. At the same time there is a surplus of power in the Montreal area and this probably is a factor of greater influence in determining on whether or not the company will install additional units.

Cover Bond Interest

Last year the company's net revenue was sufficient to take care of fixed charges, with a balance of $82,785 which was applied to depreciation reserve. On the basis of the present installation of equipment, the company's earning power is limited. Until such time as additional units are installed, there is no prospect of a dividend on the preferred stock.

The position of the preferred shareholders is not an enviable one. Complaints have been made that Montreal Power, through its control of the company and as purchaser of the total output of energy, should take steps to increase the company's productive capacity so that an earning power can be developed for the preferred stock.

Capitalization—	Authorized	Outstanding
Common	100,000 shs.	75,000 shs.
No par value.		
Pref. 6% cum....	$1,000,000	$1,000,000
Par $100.		

Funded Debt—
1st mtge. 5½% bonds, series A, due 1957, outstanding $9,250,000.

Dividend Record—
Preferred — $6 per annum, cumulative from Jan. 1, 1928, and payable quarterly. No dividends have been declared as yet.
Common—None paid.

Head Office—Montreal.

Officers and Directors—
Officers—J. S. Norris, pres.; G. H. Montgomery, vice-pres.; C. S. Bagg, vice-pres.; G. R. Whatley, sec.; C. C. Parkes, asst. sec.; P. C. Drake, treas.; A. N. Sainte-Marie, asst. treas.
Directors—Sir H. S. Holt, G. Caverhill, J. S. Norris, G. H. Montgomery, S. Godin, Jr., J. C. Smith, Hon. J. M. Wilson, all of Montreal.

Times Fixed Charges Earned:

	1933	1932	1931
Before deprec.	1.14	1.16	1.09

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common	4	4	11	5	20	14

N. B. POWER

Earning Power Continues on Low Scale — Heavy Borrowings

Earning power of New Brunswick Power Co., operating utility services in Saint John, has not been altogether satisfactory in recent years. In 1931 net profits were not sufficient to cover preferred dividends and the disbursement was omitted at the beginning of 1932. Even prior to that time the preferred stock received only 4 per cent instead of 7 per cent and arrears of dividends now amount to nearly 40 per cent.

The financial statement for 1933 has not yet made its appearance. Aside from earning power, interest centres around liabilities to the parent company, Federal Light and Traction. At the end of 1932 the company's balance sheet showed notes payable to Federal Light amounting to $1,761,749. There was also an open account of $90,709 with the parent company.

Provide Complete Service

Operations of New Brunswick Power cover power, lighting, tramways and gas. These services are confined to Saint John and the immediate vicinity. Power is obtained from the 17,000-h.p. steam electric unit, while the company has an agreement with the New Brunswick Power Commission for stand-by service. Over 22 miles of street railway tracks are operated, while rolling stock numbers around 35 closed cars. The company also operates a gas plant, which in turn produces coke as a by-product for domestic and commercial purposes.

Capitalization—	Authorized	Outstanding
Common	20,000 sh.	20,000 sh.
No par value.		
1st pref. cum. 7%	$3,500,000	$1,000,000
2nd pf. 7% cum.	1,500,000	350,000
Par $100.		

Funded Debt—

First gold 5% bonds, due 1937	$5,000,000	$1,740,000

Dividend Record—
1st Preferred—Entitled to 7 per cent per annum, payable quarterly, March, June, Sept. and Dec. 1. Paid at rate of 4% from Mar. 1, 1927 to Dec. 1, 1931; none since.
2nd Preferred—None at present. Entitled to 7 per cent cumulative from Dec. 1, 1922, payable March, June, Sept. and Dec. 1. 7 per cent paid in 1918, 1¾ per cent in 1919 and 1920; none since.
Common—None paid.

Head Office—Saint John, N.B.

Officers and Directors—
Officers—C. H. Nichols, pres.; W. P. Southard, vice-pres. and gen. mgr.; J. A. Olive, sec.-treas.; H. G. Townsend, asst. sec.-treas.
Directors—C. H. Nichols, New York; W. C. Allison, W. E. Golding, J. L. McAvity, A. P. Paterson, R. Sullivan, W. P. Southard, J. G. Harrison, James MacMurray, W. E. Scully, Saint John, N.B.; L. C. Gerry, Providence, R.I.

Times Bond Interest Earned—
Years End. Dec. 31—

	1932	1931	1930
Before deprec.	*0.88	*1.45	3.15
After deprec.	*0.81	*1.04	2.70

* Including other interest and discount.

Earnings per Share and Dividend Record—

	1932	1931	1930
First pref.: Earned	nil	$0.66	$6.88
Paid	nil	4.00	4.00

Ontario Leads Way

Manufacturing industries in Ontario contained more power equipment and a greater motor capacity than in any of the other provinces, but Manitoba shows the highest ratio of electric drives. This is due to concentration of manufacture in Winnipeg which has an abundant supply of hydro-electric power.

Increased Electric Drive

Increasing use of electric drive is indicated by the steadily increasing ratio of rated capacity of electric motors in manufacturing industries to the total capacity of power equipment. These ratios have increased from 61 per cent in 1923 to 76 per cent in 1931 with scarcely a halt.

BEAUHARNOIS POWER

Montreal Power Secures Control of Property Through Reorganization—Power Deliveries Are Increased to 125,000 H.P.

Beauharnois Power Corp.'s plant was brought into operation on schedule the latter part of 1932 and at present the company is delivering 133,000 h.p. of electrical energy, of which Ontario Hydro takes 75,000 h.p., Montreal Power 50,000 h.p. and Montreal Cottons 8,000 h.p.

These contracts call for an increase in the scale of deliveries and by 1939 Ontario Hydro will be taking 250,000 h.p.; Montreal Power 200,000 h.p. and Montreal Cottons 8,000 h.p. or a total of 458,000 h.p. in all. This is practically the capacity of the plant.

Control to Montreal Power

During the past year the company's reorganization was carried out along the lines of a plan sponsored by Montreal Light, Heat and Power Co. Briefly this plan provided for the underwriting of the additional capital to complete the project, in return for which Montreal Power would receive a substantial bonus of common stock. It is generally understood that this bonus stock, together with the stock already held by the company, gave it control of the Beauharnois enterprise.

Consequent upon the reorganization Beauharnois Power Corp. now has outstanding the following securities: $36,000,000 of 5 per cent collateral trust bonds due 1953 and 762,000 shares of no par value common stock. Ranking ahead of these securities are $39,000,000 of 5½ per cent first mortgage bonds of the operating company—Beauharnois Light, Heat and Power Co. Not all of the latter bonds have been sold, but the issue has been underwritten by Montreal Power under the terms laid down in the reorganization plan.

Pay Mortgage Interest

Under the provisions of this plan, interest on the first mortgage bonds of Beauharnois Light, Heat and Power Co. will be paid as called for under the terms of the trust deed. Interest payments on Beauharnois Power collateral trust bonds, however, will not start until April, 1938. After that time the company should have no particular trouble in meeting its obligations in respect to the terms, as delivery of power under contract to Ontario Hydro and Montreal Power should result in sufficient revenue to take care of this obligation.

Even when operating at its present proposed capacity of about 500,000 h.p., it is doubtful if the company will ever be able to earn anything like substantial profits for the common stock shareholders. On the other hand, there is always the possibility the company will be able to secure the right to divert additional water from the St. Lawrence River. In this event, the company would be able to produce a large amount of additional power at very low cost. Whether or not the company will be successful in securing additional water rights in later years is problematical and naturally will depend a great deal upon circumstances existing at the time of the application for additional water.

Capitalization—	Authorized	Outstanding
Common, n.p.v.	762,000 shs.	762,000 shs.

Funded Debt—
Collateral trust bonds, 5%, due 1973, outstanding $36,000,000.

Dividend Record—
None paid to date.

Head Office—Montreal.

Officers and Directors—
Officers—John S. Norris, pres.; Arthur F. White, vice-pres.; G. H. Montgomery, vice-pres.; R. A. C. Henry, gen. mgr.; L. C. Christie, sec.-treas.; E. S. Coleman, asst. sec.-treas.
Directors—John S. Norris, chm. board; Arthur F. White, T. A. Russell, Miller Lash, J. H. Gundy, Toronto; G. H. Montgomery, Norman J. Dawes, Aimé Geoffrion, S. Godin, Jr., M. W. Wilson, Montreal; Lucien Moraud, Quebec, Q.

Bondholders' Committee—
T. A. Russell, chm., Toronto; L. Morrow and J. H. Fortier, Quebec; G. M. To[illegible] G. W. Scott and N. J. Dawes, Montreal; R. H. Collis and M. S. Kilpatrick, London, Eng.; Gen. Hon. S. C. Mewburn, Hamilton; Mark Irish and E. G. Long, Toronto; J. Richardson, Winnipeg.

Market Record—

	1933 High	1933 Low
Common	8½	3½

BEAUHARNOIS LIGHT, HEAT & POWER
(Owned by Beauharnois Power Corp.)

Capitalization—	Authorized	Outstanding
Common‡	$4,000,000	$4,000,000

Par $100.

‡ All owned by Beauharnois Power Corp. and subject to the specific charge securing the collateral trust bonds of that company.

Funded Debt—
First mtge. bonds, series A, 5½%, due 1973, outstanding §$40,000,000.
Second mtge. bonds, 5%, due 1973, †issued $36,000,000.

§ Including $1,000,000 held in the treasury for corporate purposes.
† Deposited as collateral security for parent company's collateral trust bond issue.

OTTAWA POWER

Earnings on Slightly Lower Basis — Balance Sheet Strengthened

Operating income of Ottawa Light, Heat and Power Co. for 1933 was on a slightly lower scale than in 1932, but the drop in income was more than offset by reduced operating expenses. The financial statement showed bond interest and dividends on the preferred stock covered, but the balance available for the common stock was not sufficient to cover the regular dividend. It was necessary to draw upon the surplus for a relatively small amount in order to cover this charge.

Operations of the company during the latter months of the year showed steady improvement as a result of operating economies and improved operating conditions. These are expected to be more fully expressed in increased earning power during the first quarter of 1934, when the company will have a greater benefit from the intensive expense reducing efforts put into effect by the management.

Change in Reserves

An interesting feature in connection with the financial statement for 1933 was not only a strengthened net cash position, but by changes effected through reserve items there was permitted a considerable write-off through surplus of items applicable to prior years and other sums. The result was a general strengthening of balance sheet position, including the building up of cash resources and a further strengthening of depreciation reserve.

During the year the company retired a total par value of $775,000 on maturing bonds of its operating companies. At the middle of the past year, $625,000 of 5 per cent bonds of Ottawa Electric Co. were redeemed. Until April of last year, Ottawa Power's collateral trust bonds, due 1957, were secured by a refunding mortgage on both Ottawa Electric and Ottawa Gas properties. Since redemption of the June maturity, Ottawa Power 5's are now a clear-cut first mortgage on the Ottawa Electric property; and from the beginning of this year, when a small amount of Ottawa Gas first mortgage 5's matured, the Ottawa Power bonds are secured by a first mortgage on Ottawa Gas property as well.

As a result of these changes in funded debt of the parent company and operating subsidiaries, Ottawa Power now has no maturing bonds or debts to provide for until 1937.

Capitalization	Authorized	Outstanding
Common 6%	$10,000,000	$3,500,000
Preferred 6½% ..		$1,500,000

Par $100.

Funded Debt—
Refunding mortgage 5 per cent bonds, series A, due 1957, outstanding $4,841,000.

Dividend Record—
Preferred—6½% cumulative per annum, payable Jan. 2, April, July and Oct. 1. Initial payment of 1⅝% paid Jan. 1, 1924, and regularly since.
Common—6% per annum, payable last day of Dec., March, June and Sept. Paid regularly.

Head Office—Ottawa.

Officers and Directors—
Officers—Hon. T. Ahearn, pres.; F. E. Bronson, vice-pres.; W. H. Munro, gen. mgr.; H. I. Anscombe, treas.; F. W. Fee, sec.
Directors—Hon. T. Ahearn, F. E. Bronson, T. Workman, G. F. Henderson, T. F. Ahearn, L. N. Poulin, Redmond Quain, Ottawa; W. C. Pitfield, P. R. Walters, H. MacKay, Montreal.

Years End. Dec. 31:	1933	1932	1931
Times Bond Interest Earned—			
Before deprec. and gen. int.	2.61	2.60	3.15
After deprec. and gen. int.	1.98	2.09	2.52

Earnings per Share and Dividend Record—

	1933	1932	1931
Pref.: Earned	$15.50	$19.34	$21.95
Paid	6.50	6.50	6.50
Com.: Earned	3.86	5.50	6.62
Paid	6.00	6.00	6.00

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Com.	92	80	100	87	110	90
Pref.	97	84	100	89	105½	102

OTTAWA ELECTRIC
(Controlled by Ottawa Light, Heat & Power Co.)

Capitalization—	Authorized	Outstanding
Common	$3,000,000	$3,000,000

Par $100.
Entirely held by Ottawa Light, Heat and Power Co., with the exception of directors' qualifying shares, as part security for bonds of the parent company.

Funded Debt—
General and refunding bonds, 5%, due 1957 (not in hands of public) outstanding $3,182,500, all deposited as security for Ottawa Light, Heat & Power Co. refunding bonds held by company.

Head Office—Ottawa.

Officers and Directors—
Officers—Hon. T. Ahearn, pres.; F. E. Bronson, vice-pres.; D. R. Street, gen. mgr.; F. W. Fee, sec.-treas.
Directors—Hon. T. Ahearn, T. F. Ahearn, F. E. Bronson, G. F. Henderson, Hon. H. H. Horsey, all of Ottawa; W. C. Pitfield, H. W. Soper, Montreal; N. M. Scott, Toronto.

OTTAWA GAS
(Controlled by Ottawa Light, Heat & Power Co.)

Capitalization—	Authorized	Outstanding
Common	$2,000,000	$2,000,000

Par $100.
All deposited as security for Ottawa Light, Heat and Power Co., Ltd., refunding bonds, except directors' qualifying shares.

Funded Debt—
General and refunding bonds, 5%, due 1957 (not in hands of public); issued $873,800.
All these bonds are deposited as security for Ottawa Light, Heat & Power Co., Ltd., refunding bonds held.

Head Office—Ottawa.

Officers and Directors—
Officers—Hon. T. Ahearn, pres.; F. E. Bronson, vice-pres.; D. R. Street, gen. mgr.; F. W. Fee, sec.-treas.
Directors—Hon. T. Ahearn, F. E. Bronson, G. F. Henderson, J. R. Allan, Col. G. P. Murphy, W. L. Reid, A. E. Provost, all of Ottawa.

Tramway Trend Downward

The trend of both passenger revenue and operating expenses in the tramway industry have been definitely downward since 1930. The ratio of operating expenses and passenger revenue per mile, single track, has been fairly constant for the past seven or eight years.

Hydro-Electric Bond

Hydro-Electric Bond and Share Corp. was formed in 1927 to conduct a business which would combine the features of an investment trust and a public utility holding company. No details of the company's activities have been made available, nor has any financial statement been published.

Capitalization—	Authorized	Issued
Common	600,000 shs.	200,000 shs.

No par value.
These shares were not offered publicly, being privately issued.

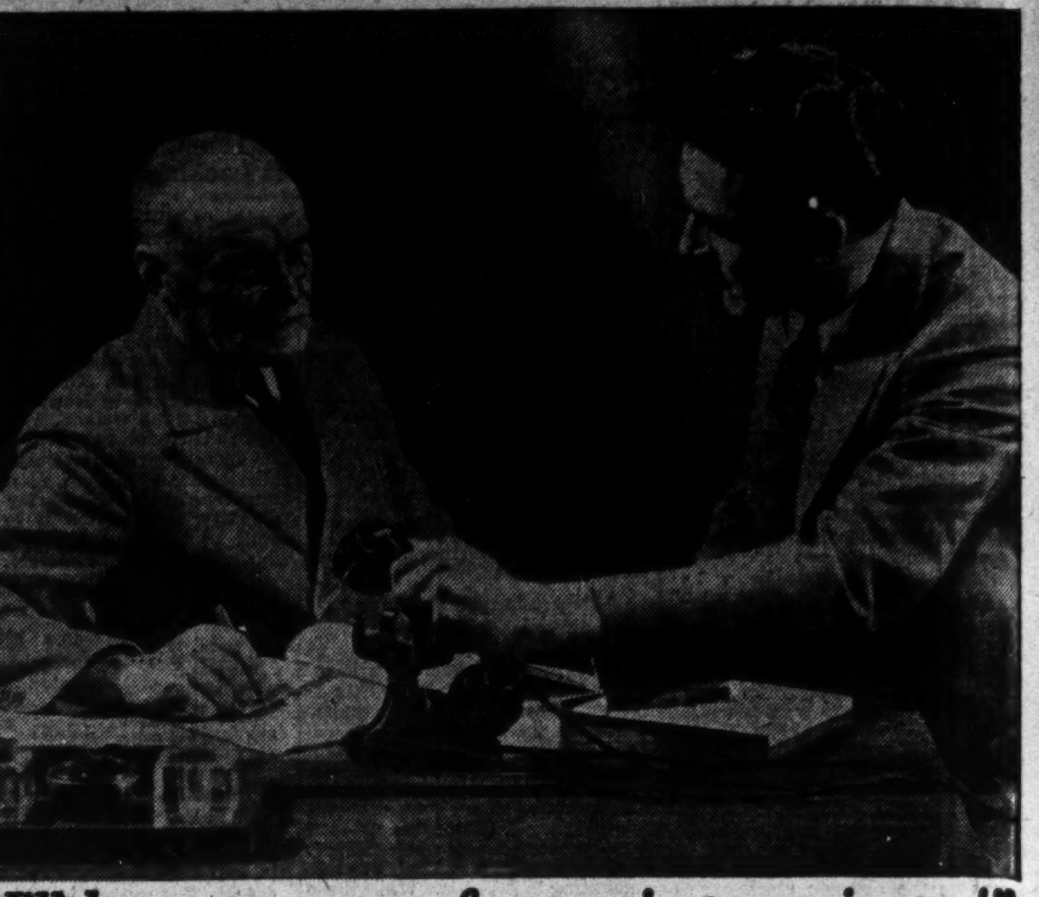
Funded Debt—
First collateral trust bonds, 5 per cent series A, due 1957, $2,883,000.
Income debentures, due 1967, $2,000,000.

Head Office—Montreal.

Officers and Directors—
Officers—Sir Herbert Holt, pres.; J. S. Norris, vice-pres.; S. Godin, Jr., man. dir.
Directors—Sir Herbert S. Holt, J. S. Norris, J. H. Gundy, G. H. Montgomery, A. P. Holt and S. Godin, Jr., all of Montreal, Que.

Canada in the Forefront

Canada's outstanding position among the water-power using countries of the world is indicated by the figures of average installations—684 h.p. per thousand of population.



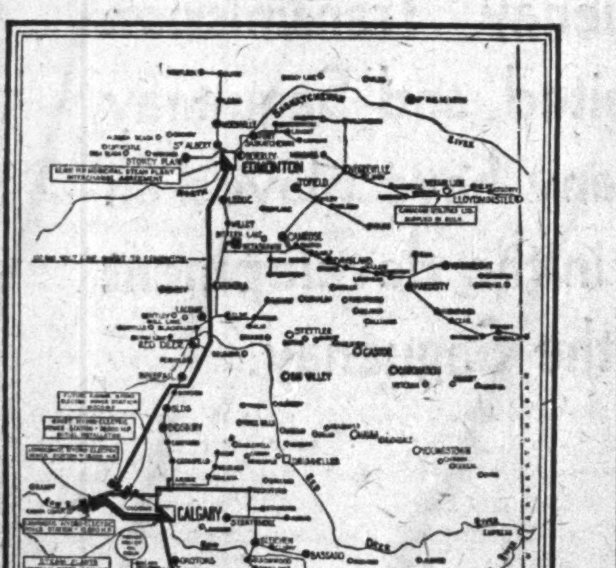
"I'll have an answer for you in two minutes!"

WHEN THE CUSTOMER IS READY TO BUY... BUT HE WANTS TERMS YOU CAN'T GIVE... AND YOU NEED YOUR MANAGER'S O.K....

Don't miss the sale ... get your office on Long Distance right away.

For quick action in emergency, there is nothing like Long Distance. It gets you the answers: quickly, dependably and at little cost. You can talk 100 miles or more for as little as 30c. See rates in the front of your directory.

Calgary Power Company
LIMITED



Operating Offices:
CALGARY and EDMONTON, ALBERTA

DEPENDABLE.....

A system of dependable transportation is a vital factor and partner in the growth and development of any community. At all times in any weather it must enable citizens to travel certainly, quickly, and safely through city thoroughfares, as they pursue their social and business activities.

With approximately 80 per cent of the population of Montreal dependent on public transportation, the Montreal Tramways Company during the tremendous growth and wide expansion of the city constantly extended its service, with modern equipment, materials and resources and kept pace with the demands of a rapidly increasing population.

To build, to maintain, and to operate a system capable of meeting the needs of a city of more than a million inhabitants has been the aim and achievement of the Montreal Tramways Company. Its dependable service to citizens and investors alike has received a wide and favourable acceptance.

■ Montreal Tramways street cars operating on tracks extending more than 300 miles—almost equivalent to the distance from Montreal to Toronto—run more than 70,000 miles daily. In addition, the large fleet of Tramways busses travels more than 15,000 miles daily.

■ More than a thousand Tramways cars, more than one hundred and fifty busses are kept operating, day after day, to provide quick and efficient transportation service throughout Greater Montreal.

■ Each day a million passengers, representing 80% of the population served, are conveyed in their daily travels by this system requiring the services of more than 5,000 employees.

MONTREAL TRAMWAYS COMPANY

INT. UTILITIES CO.

Large Utility Holding Company Regains Dominion Gas Control

International Utilities Corporation, which was incorporated under Maryland laws on October 8, 1934, operates as a holding and investment company with power to conduct, operate and manage utility properties as well as to invest in the securities of utility companies.

Various changes in its capital stock, its security holdings and its organization have been made in recent years, the principal changes being in 1931. At the end of 1932 the balance sheet showed all bank loans paid off and no funded debt. The company showed $5,975,020 investments in and advances to subsidiaries and $6,650,179 for other investments. It is in these two items the chief hope of the company lies. It is understood to have obtained control through holding companies in the United States and Canada, of a large number of public utility corporations from which it hopes to benefit when business conditions are better and chances for public utilities to make money have improved.

Last year International Utilities regained control of Dominon Gas and Electric which it had sold to American Power Corporation in 1931. This gives it control of a large group of companies doing important business in British Columbia, Saskatchewan and Alberta.

At the last meeting in October, the president, P. M. Chandler, stated that the activities of the management were mainly directed to the reduction of indebtedness and to consolidating the position of the corporation and its subsidiaries in the public utility field through constructive efforts as well as through acquisition of additional holdings therein.

In 1932 the company paid dividends on all prior preferred and preferred stock but in July, 1933, dropped payments on the $1.75 series of no par value preferred stock.

Capitalization—	Outstanding
Prior pref. 7%, n.p.v.	26,862 shs.
Prior pref. $3.50 ser. 1931	104,695.91 shs.
Pf., $1.75 ser., 1931 n.p.v.	94,704.84 shs.
Class A, n.p.v.	124,062 shs.
Class B, par $1	1,229,853 shs.

Dividend Record—

Prior preferred, 7% per annum paid regularly to Nov., 1933. Rate reduced to $3.50 per annum with payment of 87½c. Feb. 1, 1934. Payable quarterly, Feb., May, Aug. and Nov. 1.

Prior preferred, $3.50—1931 series, payable quarterly, Feb., May, Aug. and Nov. 1. Reduced to $1.75 per annum with payment of 43¾c. Feb. 1, 1934.

Preferred, $1.75—1931 series, payable quarterly, Jan., Apr., July and Oct. 15. Payment due Oct. 15, 1933, deferred; none paid since.

Class A Common—None at present. Last paid 87½c. Oct. 15, 1931.

Head Office—New York.

Officers and Directors—

Officers—P. M. Chandler, pres. and chm.; Wiley F. Corl, S. C. Finnell, A. D. McNab, vice-presidents; T. L. Russell, sec.; H. Williams, Jr., treas.; H. D. Brown, Jr., E. M. Butler, E. J. Hall, asst. sec. and asst. treas.; Robert Leonard, asst. sec.

Directors—P. M. Chandler, E. Uehlinger, E. W. McMahon, H. Williams, Jr., New York; Robert M. Boyd, Jr., Montclair, N.J.; W. H. Despard, Toronto; A. S. Kimberly, New Haven, Conn.; R. E. Wilsey, Chicago, Ill.; E. B. Robinette, Philadelphia, Pa.

Earns. per Sh. and Div. Record:

	1933	1932	1931
$7 prior pref.			
Earned	$8.86	...	$166.08
Paid	7.00	$7.00	7.00
$3.50 p. pref:			
Earned	4.43	...	...
Paid	3.50	0.87½	...
$1.75 pref.:			
Earned	2.00	...	...
Paid	1.75	0.43¾	...
Class A:			
Earned	0.21	...	37.44
Earned* ..	...	...	5.00
Paid	nil	3.50	3.50
Class B:			
Earned ...	nil	...	7.89
Earned* ..	...	...	7.54

None paid.
*Under participating provisions.

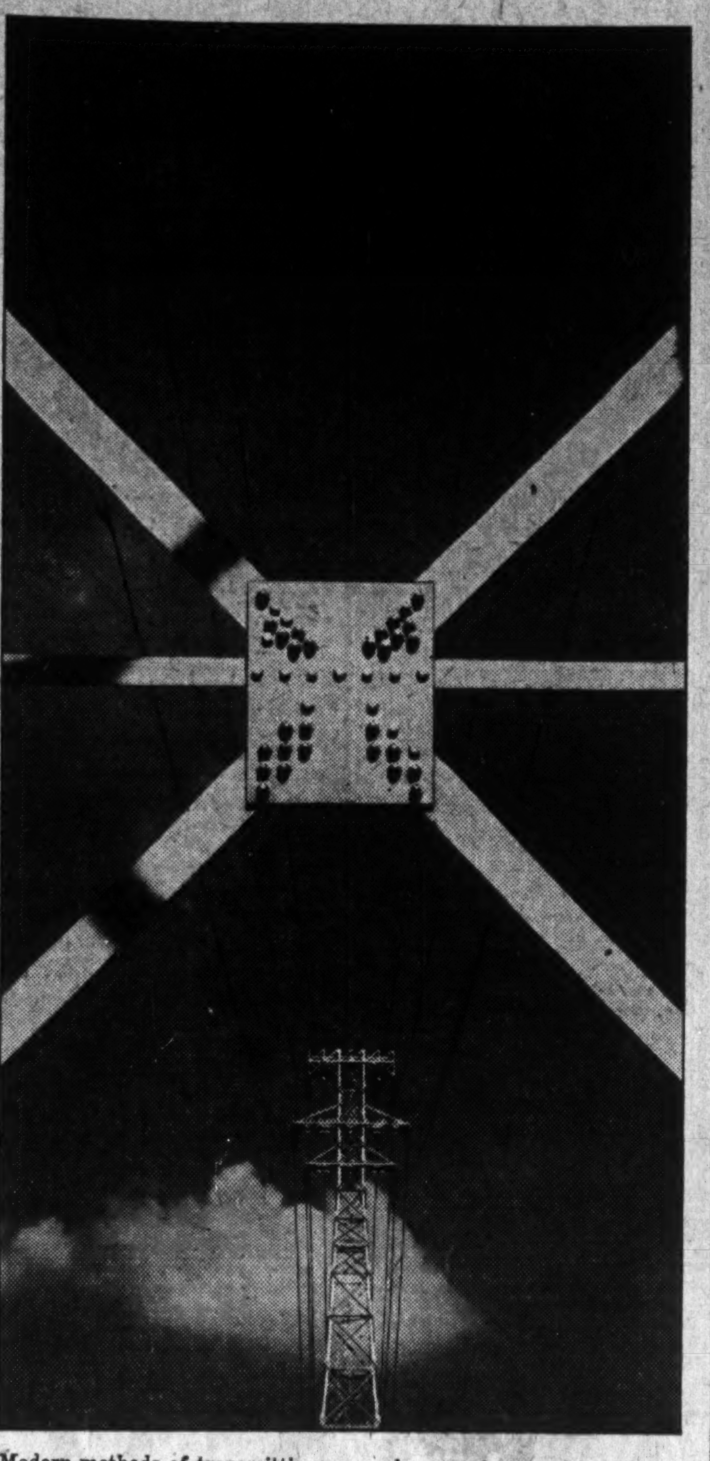
Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Class A	13½	13	11	2	45	5
Class B	4.12	.55	4	½	11	1¾

Tramway Investment Grows

From the comparatively modest figure of $40,553,170 in 1901, investment in Canadian tramways grew steadily to reach a high point of nearly $250,000,000 in 1933, an average increase of nearly $7,000,000 a year.

Milestones of Power Progress



Modern methods of transmitting power have made possible the utilization of our water power sites to the fullest extent. In this view, looking through the lattice work of one tower to another, a comprehensive idea is given of the machinery necessary to transmit energy. Many of these towers are several hundred feet high and the distance apart, as in this picture, ranges up to 1,000 feet.

Canadian Industry Needs 4,000,000 H. P. of Power

More than 4,000,000 h.p. of power is supplied to the manufacturing industries of Canada, according to the 1931 census compiled by the Dominion Bureau of Statistics. The amount used in the different provinces varied from 4,258 h.p. in Prince Edward Island to 1,629,588 h.p. in Ontario. Manufacturing industries in the latter province contained more power equipment and a greater motor capacity than in any of the other provinces, but Manitoba showed the highest ratio of electric drive. This was due to the concentration of manufactures in Winnipeg which has an abundant supply of hydro-electric power.

In the following table covering the power employed in manufacturing, consideration is only given to those plants in operation. It will be noted that the industry as a whole operated electric motors with a capacity of 3,127,211 or, 6 per cent of the total. The amount of power purchased to operate these motors aggregated 2,587,411 h.p., while the power generated in the industry totalled 539,800. Particulars of the power used in manufacturing industries by provinces follow:

TOTAL POWER EMPLOYED IN MANUFACTURING INDUSTRIES* IN CANADA, 1931

	Total power employed H.P.	—Electric Motors Operated— By purchased power H.P.	By power generated in the industries H.P.	Total motor capacity H.P.	Electric Power Per cent of total H.P.
Prince Edward Island	4,258	656	357	1,013	23.8
Nova Scotia	172,486	63,014	38,808	101,822	59.0
New Brunswick	171 751	82,123	41,718	123,841	72.1
Quebec	1,465,096	1,003,159	103,192	1,106,351	75.5
Ontario	1,629,588	1,060,135	243,811	1,303,946	80.0
Manitoba	116,,287	102,948	593	103,541	89.0
Saskatchewan	30,982	19,060	173	19 233	62.1
Alberta	67,393	42,562	3,035	45,597	67.7
British Columbia and Yukon	456,837	213,754	108,113	321,867	70.5
CANADA	4,114,677	2,587,411	539,800	3,127,211	76.0

*Excluding central electric stations.

INTER. HYDRO SYSTEM

Gains in Recent Months Make Outlook More Encouraging

Operations of International Hydro-Electric System, the major division of International Paper and Power Co., have undergone an improvement. This is due, in part, to a betterment in International Paper Co.'s pulp and paper operations. The associated companies are large purchasers of power and their operations have an important bearing upon International Hydro-Electric System and its units. There is room for further improvement, but the outlook is appreciably better than it was at this time last year.

During the twelve months ended September 30 last, International Hydro reported consolidated revenue of $61,850,343, a decrease of approximately $3,100,000 from the preceding year. Net revenue before charges was $35,285,233 against $36,370,779.

Consolidated net earnings available for dividend on the class A shares of the System in the year ended September 30, 1933, totalled $2.12 a share compared with $3.44 in the preceding twelve months. This was after making adequate provision for depreciation, amortisation of discount on securities, dividends on underlying securities, etc.

Gains Made Recently

The figures for the twelve months do not altogether reflect the improvement which has taken place in the System's position. For the third quarter of 1933, for example, consolidated revenue amounted to $15,512,978 compared with $15,013,787 for the same period in 1932. After deducting preferred dividends, the balance in the third quarter available for dividends on the class A stock was $314,032 as against $139,786 a year ago.

Balance added to surplus for the third quarter of 1933 showed an increase not only over the figures for the corresponding period of the previous year, but also, contrary to the usual seasonal trend, over the second quarter of 1933.

This improvement was due primarily to increased electric sales to industrial customers by New England Power subsidiaries during July and August. In September their revenues from electric sales were above September last year, but the increase was not sufficient to offset new Federal taxes and the increase in expenses resulting from compliance with President Roosevelt's re-employment agreement under the N.R.A.

Major Power System

International Hydro-Electric System, holding company for all the power companies formerly controlled by International Paper and Power Co., is one of the largest power systems in the world. Through stock ownership, it controls Canadian Hydro-Electric Corp., operating in Canada, and New England Power Association, operating throughout the New England States.

Some idea of the extent of operations can be gauged from figures of installed capacity and output of the System's properties. At the end of 1933 installed capacity totalled nearly 1,800,000 h.p. and output during the year amounted to well over four billion kilowatt hours.

Capitalization—	Authorized	Outstanding
Common .. Par $0.05.	40,000,000 sh.	†40,000,000 sh.
Class A Par $25.	‡2,000,000 sh.	858,197 sh.
Class B Par $20.	2,000,000 sh.	†1,000,000 sh.
Pref. conv. $3.50 ..... Par $50.	*1,000,000 sh.	144,799 sh.

* 175,000 shares designated $3.50 series.
† International Paper Co. owns all class "B" and 30 per cent of common stock; remaining 70 per cent of common stock owned by International Paper & Power Co.
‡ 714,799 shares reserved for conversion of debentures and preferred stock and 66,673 for exercise of purchase warrants; there is also contingent liability to deliver 137,526 shares in exchange for option warrants of New England Power Assoc.

Funded Debt—

Six per cent convertible gold debs., due 1944, outstanding $30,000,000.

Dividend Record—

Preferred—$3.50 per annum, payable Jan., April, July and Oct. 15.

Class A—$2 per share per annum, cumulative, preferred, payable quarterly on Jan., Apr. July and Oct. 15.

Initial dividend of 50c. paid July 15, 1929, payable either in cash or as 1/50th share class A stock. Paid regularly thereafter to July 13, 1932, when passed; none since.

Head Office—Boston, Mass.

Officers and Directors—

Officers—A. R. Graustein, pres.; F. D. Comerford, vice-pres.; S. C. Moore, vice-pres. and sec.; H. R. Weaver, vice-pres. and treas.; R. G. Ladd, asst. sec. and asst.-treas.; E. E. Adams, C. D. Young, ast. sec.; E. B. Norcross, A. R. Storm, asst. treas.

Directors—A. E. Childs, F. D. Comerford, J. H. Leman, Ralph Lowell, S. C. Moore, A. J. Peters, C. F. Weed, R. S. Weeks, H. A. Wyman, Boston, Mass.; M. W. Dodge, A. R. Graustein, H. R. Weaver, New York; V. M. Drury, Aimé Geoffrion, Montreal; G. G. Gale, Ottawa, Ont.; L. C. Gerry, Providence, R.I.; H. P. Robinson, Saint John, N.B.; A. F. White, Toronto.

Executive Committee—A. R. Graustein, chairman; F. D. Comerford, H. R. Weaver.

Finance Committee—A. E. Childs, F. D. Comerford, V. M. Drury, L. C. Gerry, A. R. Graustein, J. H. Leman.

Times All Interest Earned:

	1932	1931	1930
Before depr.	2.30	2.37	2.38
After depr.	1.98	2.05	2.04

Earns. per Share and Div. Record:

	1932	1931	1930
Preferred, $3.50 convert. series:			
Earned	$19.53	$22.22	$26.53
Paid	3.50	3.50	‡
Class A:			
Earned† ...	$2.72	$3.17	$4.17
Earned* .	2.00+nil	2.00+nil	2.00+nil
Paid	0.50	2.00	2.00

* Represents amount of dividend if all surplus earnings for period were distributed.
† Based on the number of shares outstanding at the end of the period. The earnings on the average number of shares outstanding during the periods were $3.20 in 1931; $4.30 in 1930.
‡ Dividend (and interest in lieu of dividend) paid at the rate of $3.50 per annum.

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Class A	13⅞	2½	6	6	29	9⅛

Cities Heating Co.

Cities Heating Co. is a privately owned company which operated a central steam heating system in the business district of London, Ont. No financial statement is made public. Investment is confined to a small issue of 6 per cent first mortgage bonds.

Capitalization—	Authorized	Issued
Preferred 7% cum. Par $100.	$100,000	$100,000
Common ..... No par value.	3,000 shs.	3,000 shs.

Funded Debt—

1st mtge. 6 per cent bonds, due 1948, issued $152,000.

Head Office—London, Ont.

Officers and Directors—

W. E. Greene, pres.; J. S. Moore, vice-pres.; A. W. White, D. B. Weldon, C. W. Morris, K. C. Green, (Miss) E. M. Woodward, treas.

GATINEAU POWER CO.

Improvement in Newsprint Industry Strengthens Position of Company—Earning Power Continues at Satisfactory Level

Gatineau Power Co., controlled by Canadian Hydro, has not experienced any material change in its operating or income position. Practically all of the company's output is contracted for and earnings have been on a satisfactory basis.

During the twelve months ended September 30 last, consolidated revenue was $9,393,841. This compared with $9,203,914 in the previous year. Net revenue before interest and depreciation totalled $8,229,809 compared with $8,363,907. This was equivalent to two and one-third times interest on the company's first mortgage bonds and prior liens. After taking care of this charge the balance was more than four and a half times interest on the six per cent debentures of the company.

Wholesaler of Power

Gatineau Power is primarily a wholesaler of electric energy. By far the largest customer is the Ontario Hydro Power Commission, which has contracted for more than 300,000 h.p., payment of 260,000 h.p. being made in American funds and the balance in Canadian funds. The next largest customer is Canadian International Paper Co., whose power requirements at Gatineau and Dalhousie are supplied by the company. Other large blocks of power are sold to the E. B. Eddy Co., Canada Cement, Ottawa Electric and other concerns. In addition a fair amount is retailed through the company's own subsidiary, Gatineau Electric Light.

Meet All Charges

Outstanding bonds of Gatineau Power Co., which are largely held in Canada, sold at a substantial discount until lately. This was due to the company's close association with International Paper and Power Co. As far as operating expenses and interest on the first mortgage bonds are concerned, Gatineau Power's revenue from Ontario Hydro contracts is sufficient to take care of these charges.

Interest on the debentures and dividends on the capital stock are dependent upon income from Canadian International Paper and the other industrial users.

The newsprint situation, as is well known, has been unsatisfactory for several years. The trend of operations continued downward until the middle of last year. There was a widespread belief that International might have difficulty in securing sufficient business for the Gatineau and Dalhousie plants to enable them to take care of their power contracts. But at no time did Canadian International Paper fail to live up to its obligations and in view of the marked improvement in operations in the last six months, the ability of C.I.P. to meet its power bills has been straightened.

This change in the situation has been reflected in rising values for Gatineau Power first mortgage bonds and debentures.

Sources of Revenue

The resources from which Gatineau Power Co.'s income is derived is a matter of such general interest that in the financial statement for 1932 the management gave detailed information. This material follows:

	1932 $	1931 $
Ontario Hydro	4,487,732	4,288,298
Ottawa Electric, Hull Electric, Ottawa W. Works, Grand Falls, Dalhousie & others..	424,079	374,651
Retail sales	859,534	751,763
International Paper:		
Motive power	1,960,458	2,096,731
For steam	891,225	494,531
Canada Cement, E. B. Eddy Co., Fraser Cos.	534 891	534,839
Interest income	17,733	66,616
Dividend income	18,240	13,680
Int. during const. ...	427	25,873
Merchandise profits ..	7,714	20,569
Miscellaneous	33,603	92,324
Total oper. income ..	9,232,636	8,759,875
Profit on exchange ..	162,080	114,232
Profit bonds redeemed	235,140	......
Total	9,629,856	8,874,107

Expect Good Earnings

Expectations are that the gross and net income of Gatineau Power Co. for 1933 will be on a basis comparing favorably with that reported in 1932. It is not expected that the net income will be larger, but the surplus of earnings available for interest charges and dividends should be adequate to take care of the regular charges.

Capitalization—	Authorized	Outstanding
Common .... Par $5.	$2,500,000	$2,500,000
Pref. cum. 6%. Par $100.	25,000,000	25,000,000

All shares of both issues, except directors' qualifying shares, owned by Canadian Hydro-Electric Corp.

Funded Debt—

1st mtge. 5 per cent bonds, due 1956, outstanding $70,266,500.

Sinking fund debs., 6 per cent, due 1941, outstanding $10,820,500.

Gold debs., series B, 6 per cent, due 1941, outstanding $7,500,000.

General Office—Montreal.

Year End. Dec. 31:	1932	1931
Times First Mtge. Int. Earned:		
Before deprec. & amort. of storage works	2.37	2.23
After deprec. & amort. of storage works	2.19	2.06
Times Deb. & Other Int. Earned:		
Before deprec. & amort. of storage works	3.46	2.91
After deprec. & amort. of storage works	3.01	2.51

Figures for year ended Dec. 31, 1930, not available.

Mining Helps Industry

Higher prices for gold and other metals has resulted in increasing activity of the mining industry in British Columbia and, as a consequence, several small units were installed during 1933 and several others are contemplated for mining purposes.

STABILITY
and Opportunity
for
MANUFACTURERS

The Southern Canada Power Company's Industrial Area affords manufacturers the best and most advantageous conditions and facilities for a low cost and profitable manufacturing operation.

Excellent transportation facilities.

Constant supply of efficient labour.

Good water for industrial purposes.

Reliable power at reasonable rates.

Low assessments and taxation.

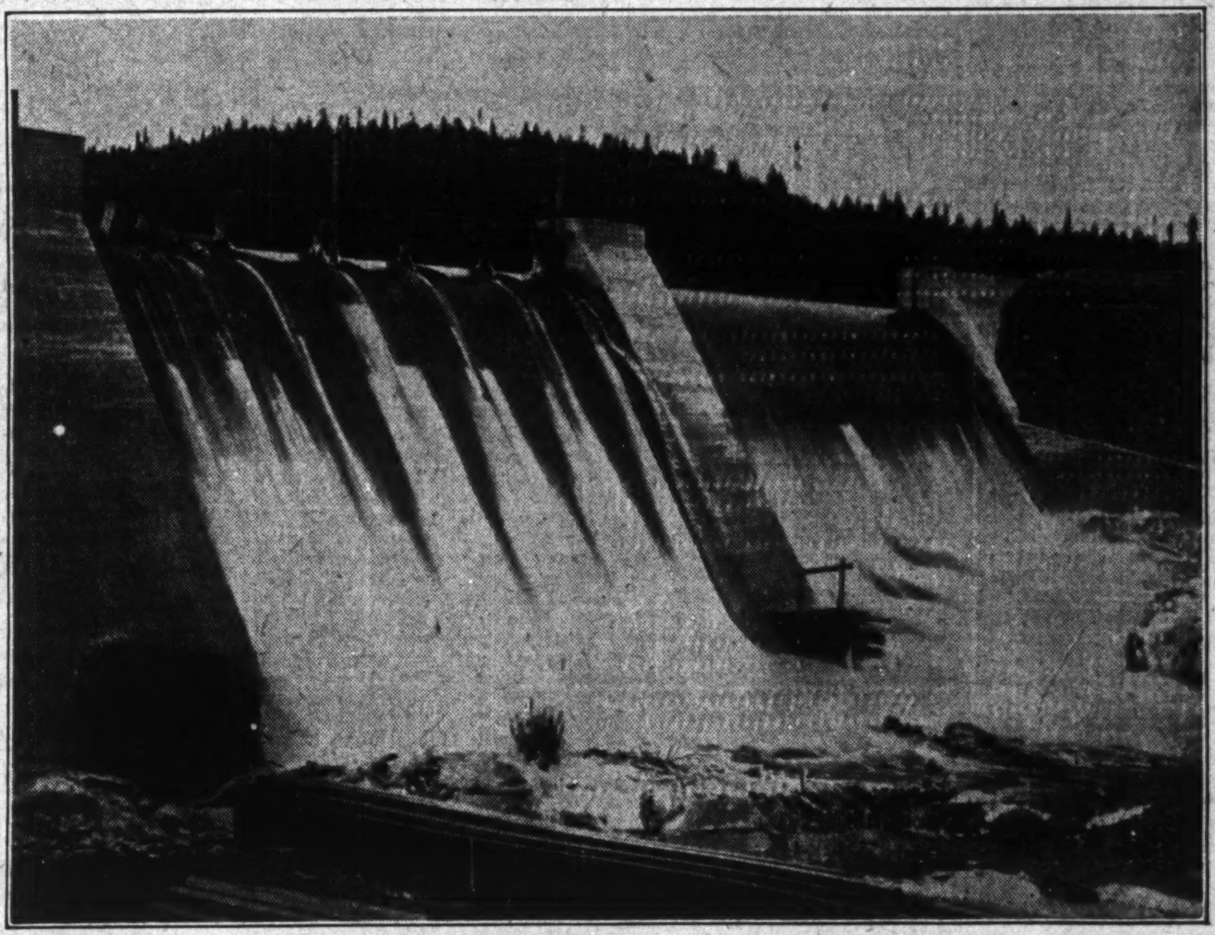
For details apply to:

Industrial Department
SOUTHERN CANADA POWER COMPANY Limited
355 St. James St. West
MONTREAL, QUEBEC

Electrical Apparatus of Quality

Manufacturers of
Motors, Generators, Control,
Motor-Generator Sets, Frequency Changers,
Transformers, Induction Regulators,
Switchboards, Oil Circuit Breakers,
Disconnecting Switches, Accessory Apparatus,
Traction Equipment, Steam Turbines,
Diesel Engines, Glass Bulb Mercury Rectifiers,
of every type and for any service.

ENGLISH ELECTRIC
COMPANY OF CANADA, LIMITED
AND ITS SUBSIDIARY
THE CANADIAN
CROCKER-WHEELER
COMPANY, LIMITED
MAIN WORKS AND GENERAL SALES OFFICES:
ST. CATHARINES, ONTARIO; MONTREAL, TORONTO



Newfoundland and Labrador

VIRTUALLY every water-course on the Island of Newfoundland has at least one or more power sites, and it is a notable fact that many if not most of these are adjacent to the great bays that dot the coast, rendering them peculiarly available for any industry that is looking for a world-wide market by water-borne freight.

Newfoundland is not only fortunate in possessing useful water power in great abundance but also in having ample natural resources to give that power profitable employment.

The spectacular development of the great pulp and paper industry on the Island which has taken place in recent years has been due largely to the happy conjunction of large stands of pulp and timber with ample water power. The accessibility of this latent electric power was one of the large determining factors in bringing the industries to the country. The availability of cheap power has been a great factor also in opening up the vast mineral resources of the country. Already the Wabana iron deposits of the island at Conception Bay are among the most extensive and economically important in the world. It is the same factor of cheap power that is operating to bring about still other great mining undertakings on the Island.

There is a wealth of raw material in Newfoundland — minerals, coals, iron, copper, and forest resources which are virtually inexhaustible and so varied in character that almost any manufacturing need might be met. The fishery resources are the greatest in the world. There is ample room here for the development of the canning and preserving industry, fish, oil and fertilizer industries. In addition to these advantages of power and raw materials there is a further important advantage of geographical location, making Newfoundland a preferred distributional centre for both the European and North American markets since Newfoundland is nearer to Europe and the British Isles than any other point on the North American Continent and also is close to the Eastern Provinces of Canada and the United States. The St. Lawrence River likewise opens at its door and gives low-cost water-borne access to the populous central regions of both countries.

The economic importance of such advantages is beginning to be realized more fully. Both Newfoundland and Labrador hold unusual opportunities for industry. The same factors which make for economical distribution of finished products from Newfoundland also make possible the bringing of raw products to Newfoundland for fabrication. This assures the Ancient Colony of substantial industrial development as more people appreciate the facts.

COMMUNICATE WITH
GOVERNMENT OFFICES, ST. JOHN'S, NEWFOUNDLAND

POWER CORP. OF CANADA

Earning Power Only Sufficient to Cover Preferred Dividends — Market Value of Securities Held Shows Improvement

Power Corp. of Canada, controlling East Kootenay Power, Canada Northern Power, Northern British Columbia Power, and holding a substantial stock interest in B. C. Power, Winnipeg Electric, Northwestern Power, Manitoba Power, and Southern Canada Power, as well as having an investment portfolio of a general character, has shown some signs of improving its position in recent months. The gains made, however, have not come anywhere near offsetting the heavy losses experienced in the market value of its investments or in income over the last three years.

For the first half of the current fiscal year, ended June 30 next the company reported net earnings sufficient to cover the preferred stock dividend. Gross income totalled $724,807 compared with $797,838 for the corresponding period of the previous year. Net earnings during the period amounted to $634,263, against which debenture interest totalled $280,337.

Outlook is Indefinite

The outlook for Power Corp. is somewhat indefinite. While the upward move in the market value of the securities has been helpful, earning power is still limited, while the position of some of the companies in which Power Corp. has a substantial stock interest is not altogether favorable. In the latter class Southern Canada Power, for example, has reduced its dividend from $1 to 80 cents, but this has been offset by the action of Canada Northern in increasing its dividend from 80 cents to $1. Winnipeg Electric and its subsidiaries are working on a plan of reorganization which will likely have a bearing upon Power Corp.'s stock holdings.

Capitalization—	Authorized	Outstanding
1st pref. 6% cum.	$5,000,000	$5,000,000
Par $100.		
2nd pref. 6% non-cum.	5,000,000	5,000,000
Par $50.		
Common	1,000,000 sh.	$446,153
No par value.		

Funded Debt—
Convert. debentures, 5%, series A, due 1957, outstanding ... $2,039,500
Series B 4½%, due 1959, outstanding ... 9,178,500

Dividend Record—
1st Pref.—$6 per annum, cumulative, payable Jan., April, July and Oct. 15. Paid regularly.
2nd Pref.—$3 per annum, non-cumulative, payable Jan., April, July and Oct. 15. Paid regularly.
Common—None at present; formerly $2.00 per share per annum, payable quarterly Feb., May., Aug., and Nov. 20. Initial dividend at this rate paid Nov., 1930, and regularly to May, 1932; none since.

Head Office—Montreal.

Officers and Directors—
Officers—A. J. Nesbitt, pres.; P. A. Thomson, vice-pres.; J. B. Woodyatt, vice-pres. and gen. mgr.; L. C. Haskell, sec.; C. Johnstone, treas.; V. J. Nixon, asst. sec.; F. D. Lamont and T. Irving, asst. treas.
Directors—A. J. Nesbitt, J. B. Woodyatt, J. M. Robertson, P. A. Thomson, N. A. Timmins, Montreal; Col. J. R. Moodie, Hamilton.

Year Ended June 30:	1933	1932	1931
Times All Int. Earn.:*	1.88	1.81	2.97

* Based on gross earnings.

Earnings per Share and Dividend Record:			
1st pref.: *Earned	$10.90	$13.33	$28.89
†Earned	nil	nil	23.55
Paid	6.00	6.00	6.00
2nd pref.: *Earned‡	2.45	3.66	11.20
*Earned§	nil	nil	3.00
†Earned‡	nil	nil	8.77
†Earned§	nil	nil	3.00
Paid	3.90	3.00	3.00
Common: *Earned‡	nil	0.15	1.84
*Earned§	nil	nil	1.84
†Earned‡	nil	nil	1.29
†Earned§	nil	nil	1.29
Paid	...	2.00	2.00

* Based on gross earnings less expenses, interest and taxes.
† Based on gross earnings plus profit (or minus loss) on sale of securities, less discount on debentures written off, transfer to general reserve and transfer to investment reserve.
‡ Before (§ after) taking into consideration the participation features.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Pref.	62	26	90	25	102	94
Com.	15¾	6	36½	6	63½	35⅞

CANADA NORTHERN POWER

Increase in Dividend Payments Reflects Larger Output and Earnings Due to Greater Activity in Territory

Action by the directors of Canada Northern Power Corp., a subsidiary of Power Corp. of Canada, in increasing the dividend on the common stock from 80 cents to $1 annually is a reflection of increased power sales and earnings arising out of the greater activity of mine operators in Northern Ontario and Northern Quebec.

Canada Northern has been outstanding among the Canadian utility companies in the last two years, in that it has shown consistent gains in output, gross and net operating income. The boom in gold mining in Northern Ontario and Northern Quebec has proved of considerable help. Demand for power has advanced substantially from the established operators, while the commencement of operations by new companies has greatly added to the power load.

Competition From Hydro

Several interesting and important developments have occurred in connection with this company. Of considerable interest to shareholders was the attempt of Ontario Hydro to break into Canada Northern's territory in Northern Quebec. Having a large surplus of power from Abitibi Canyon on its hands, Ontario Hydro endeavored to secure a contract from the Beattie Mine in Northern Quebec. This move was energetically opposed by the company which, with the co-operation of the Quebec Government, was successful in keeping Hydro out of the Quebec market.

The next development in relations between Canada Northern and Ontario Hydro took place last November, when Canada Northern made a contract with Hydro, whereby all its additional power requirements from 1934 to 1944 would be supplied by Hydro's Abitibi Canyon development.

Canada Northern was nearing a point where it would have to have more power to meet the demands of its customers, but, under its contract with the Commission, this need will be met without the necessity of additional capital expenditures.

Extend Quebec Service

About the time the company entered into the contract with Hydro, arrangements were made through a subsidiary, Northern Quebec Power, to extend the field of service in Northern Quebec. To this end a power transmission line is being erected east from Noranda through Cadillac Township to Siscoe Mine, a distance of some 32 miles. This extension will place the company in a position to extend its lines farther east at any time to serve such properties as Siscoe Mines, Sisco Extension, Sullivan, Greene-Stabell, Parker Island and mines in the Pascalis territory.

Pay Bonus Dividend

Interim reports issued by the company from month to month reflected continued expansion of operations and revenues. At the beginning of last December the directors declared a bonus dividend of 10 cents a share on the common stock. About the same time the shareholders were given the right to purchase a block of 25,000 shares. These rights were taken up and the company now has outstanding 400,000 shares of no par value common stock compared with 375,000 shares a year ago.

Following the declaration of the bonus dividend, the company announced a reduction in commercial rates beginning with the new year, 1934.

Increase Dividend Rate

Toward the end of February, as mentioned above, the directors placed the common stock on a regular dividend basis of $1 annually. This compares with the regular dividend of 80 cents plus a bonus of 10 cents paid in 1933.

Expectations are that the financial statement for 1933 will show earnings on the common stock in the neighborhood of $1.25 a share. This compares with 91 cents a share in 1932 and 76 cents a share in 1931.

Capitalization—	Authorized	Outstanding
Common	500,000 sh.	399,940 sh.
No par value.		
Cum. pref. 7%	$7,500,000	$5,500,000
Par $100.		

Funded Debt—
Collateral trust 5% bonds series A, due 1953 ... $16,778,500

Dividend Record—
Preferred—$7 per annum, cumulative, payable Jan., April, July and Oct. 15; paid regularly.
Common—Present rate $1 per share per annum, payable quarterly, Jan., April, July and Oct. 25; increased from 80 cents per annum with payment of dividend of 25c. declared payable April 15, 1934—Cash bonus of 10 cents per share paid Jan. 15, 1934.

Head Office—Montreal.

Officers and Directors—
Officers—A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; B. V. Harrison, vice-pres. and gen. mgr.; L. C. Haskell, sec.; C. Johnstone, treas.; H. A. Seymour, asst. sec.-treas.; V. J. Nixon, asst. sec.; F. D. Lamont, asst. treas.
Directors—A. J. Nesbitt, J. B. Woodyatt, P. A. Thomson and N. A. Timmins, Montreal; D. McLachlin, Arnprior; Maj.-Gen. The Hon. S. C. Mewburn, Hamilton; J. H. Black, Toronto; F. O. Blackwell, New York; B. V. Harrison, New Liskeard, Ont.

Times Interest Earn.:	1932	1931	1930
Before deprec.	2.49	2.53	2.66
After deprec.	1.86	1.86	1.92
Earnings per Share and Dividend Record:			
Pref.: Earned†	$13.19	$12.00	$11.61
Paid	7.00	7.00	7.00
Common: Earned‡	0.91	0.75	0.68
Paid	0.80	0.80	0.60

† After all dividends of subsidiaries and after deduction of minority interest in surplus of subsidiaries.
‡ After all preferred dividends of parent company and subsidiaries and after deduction of minority interest in surplus of subsidiaries.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Pref.	94	65	92	52½	107	104
Com.	18	12	17	9	25½	15

NORTHERN ONTARIO POWER
(Controlled by Canada Northern Power)

Capitalization—	Authorized	Outstanding
Common	500,000 sh.	240,014 sh.
No par value.		
Pref. 6%	$2,500,000	$2,499,300
Par $100.		

$977,200 preferred and 234,217 shares of common are pledged under the 5 per cent Collateral Trust S. F. Series A bonds of Canada Northern Power Corp.

Funded Debt—	Outstanding
6% Deb. Notes, due 1953* (Northern Ontario Power)	$3,500,000
6% Deb. Notes, due 1953* (Northern Ontario Power)	2,250,000
6% Deb. Notes, due 1953* (Northern Ont. L. & P.)	5,000,000
6% Deb. Notes, due 1953* (Northern Ont. L. & P.)	515,000

*Issued in favor of the Canada Northern Power. The first two issues are pledged under that company's 5 per cent Collateral Trust S.F. Series A bonds.

Dividend Record—
Preferred—6 per cent per annum, payable quarterly, Jan., Apr., July and Oct. 25; paid regularly.
Common—$2 per annum, payable Jan., April, July and Oct. 25.

Head Office—Montreal.

NORTHERN QUEBEC POWER
(Controlled by Canada Northern Power)

Capitalization—	Authorized	Outstanding
Common*	200,000 shs.	200,000 shs.
No par value.		

*199,950 shares are pledged under Canada Northern Power Corp., 5 per cent Coll. Trust S. F. Series A bonds.

Funded Debt—
1st mtge. 6% Series A bonds, due 1945, outstanding $2,650,000; 6% deb. notes, due 1953, outstanding $2,350,000.
All owned by the Canada Northern Power Co. and pledged under its 5 per cent Collateral Trust S. F. Series A bonds.

Head Office—Montreal.

Collingwood Terminal

Collingwood Terminals Ltd. owns and operates a 2,000,000 bus. grain terminal elevator at Collingwood, Ont. Earnings have been insufficient to cover preferred dividend requirements which are in arrears for nearly two years although last payment was made in November, 1932.

The Town of Collingwood originally raised $788,000 to pay part of cost of construction on the understanding that the company would pay off the town's expenditure over a period of 25 years. At the end of 1932 the company owed the town $739,067. While each of the 2,659 preferred shares outstanding now carries two notes due to arrears in dividends control of the company rests with the 25,000 common shares of which the majority is held by Canadian Terminal System Ltd. and a subsidiary.

Capitalization—	Authorized	Outstanding
Common	25,000 shs.	25,000 shs.
No par value.		
Pref. 7% cum.	$500,000	$266,900
$100 par.		

Dividend Record—
Preferred: 7%, payable Mar., June, Sept. and Dec. 1; paid regularly to Sept., 1930; none thereafter until 1¾% paid Feb. 27 and Nov. 25, 1932; none since.
Common: None paid.

Head Office—Toronto.

Officers and Directors—
Officers—L. H. Boyd, pres. & gen. mgr.; C. C. Begg, vice-pres.; W. F. Williams, sec.-treas.; N. D. Boadway, asst. sec.-treas.
Directors—C. C. Begg, Dr. Donald MacKay, David Williams, Collingwood, Ont.; John Shipley, Toronto; R. H. Lush, Clarkson, Ont.; James Arnold, L. H. Boyd, A. W. P. Buchanan, Montreal; Col. A. H. Montieth, Paris, Ont.

Years End. Dec. 31:	1932	1931	1930
Earnings per Share and Dividend Record:			
Pref.: Earned	$4.49	$0.71	$2.31
Paid	3.50	1.75	5.25
Common: None earned or paid.			

EAST KOOTENAY POWER

Earning Power Less—Loans from Power Corp. Are Secondary Charge

East Kootenay Power Co. a subsidiary of Power Corp., has not been able to improve its operating position to any appreciable degree, and, at the same time, earnings continue to be on a limited basis. Interim reports over the past year would appear to indicate that the final statement will show bond interest and other interest covered by a slight margin or a small deficit.

For the nine months ended December, 1933, East Kootenay reported gross income of $301,544, expenses of $99,452 and net income of $202,092. This compares with a gross revenue of $324,133, expenses of $104,229 and net income of $219,904 in the corresponding period of 1932.

Loans From Power Corp.

A feature of this company's financial position is its heavy borrowing from Power Corp. The company's own funded debt at the end of 1932 had been reduced to $2,123,000. At that time the company owed Power Corp. $2,048,736. In this connection it is officially stated that borrowings from Power Corp. do not rank as a charge senior to the funded debt. The notes payable occupy a junior position to the bonds which have first call upon earnings for interest and equity in event of liquidation.

Capitalization—	Authorized	Outstanding
Common	50,000 shs.	30,000 shs.
No par value.		
Pref. 7%	$5,000,000	$1,000,000
Par $100.		

Funded Debt—
Mortgage S. F. 7% bonds, series A, due 1942 ... $1,841,000
7% bonds, series B, due 1942 ... 282,000

Dividend Record—
Preferred—Entitled to $7 per annum, cumulative, payable quarterly, 15 March, June, Sept. and Dec. Paid regularly to and including Mar. 15, 1932; none since.
Common—None.

Head Office—Fernie, B.C.

Officers and Directors—
Officers—A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; A. B. Sanborn, gen. mgr., Fernie, B.C.; L. C. Haskell, sec.; V. J. Nixon, asst. sec.; C. Johnstone, treas.; T. Irving, asst. treas., Montreal; U. K. Colton, asst. sec.-treas., Fernie, B.C.
Directors—A. J. Nesbitt, L. C. Haskell, Hon. G. W. Scott, E. R. Parkins, P. A. Thomson, J. B. Woodyatt, Montreal; A. B. Sanborn, Fernie, B.C.

Years End. Mar. 31:	1933	1932	1931
Times Interest Earned—			
Before deprec.	1.00	1.30	1.28
Earnings per Share and Dividend Record—			
Pref.: Earned	$0.03	$6.99	$7.69
Paid	...	7.00	7.00
Common: Earned	nil	nil	0.23
None paid.			

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Preferred	..	..	..	..	97	94¾
Common	3	3	20	3	16	16

CANADIAN HYDRO

Reported Earning Power Well in Excess of Dividends

Canadian Hydro-Electric Corp., controlling Gatineau Power and other subsidiaries, and which in turn is controlled by International Hydro-Electric System, continues to report earnings on a basis well in excess of its senior obligation, namely, the 6 per cent dividend on the first preferred stock.

For the 12 months ended September 30 last, Canadian Hydro reported a net income of $2,450,719 available for dividends. This compared with $2,785,538 in the preceding 12 months.

Canadian Hydro or, strictly speaking, Gatineau Power's revenue, can be divided into two main classes. On the income from contracts with Ontario Hydro and Gatineau Electric Light, Gatineau Power can meet its operating charges and take care of obligations attaching to the first mortgage bonds. The balance of income from power delivered to Canadian International Paper, Ottawa Electric, City of Ottawa, Canada Cement, New Brunswick International Paper, Fraser Companies and other smaller customers, remains to take care of interest on the debentures and to cover Canadian Hydro's first preferred dividend.

Situation is Strengthening

With newsprint operations as they have been over the past two years, there was room for doubt as to the ability of Canadian International Paper to meet its power contracts in full. In recent months, however, the position of the paper company has undergone an improvement and doubt as to the ability of C. I. P. to meet its power bills is rapidly disappearing. Income from this source is an important factor in the ability of Canadian Hydro to meet the dividends on its preferred stock.

To date Canadian Hydro's income has been ample to take care of dividend needs. Payments have been met regularly.

Capitalization—	Authorized	Outstanding
Common	1,000,000 sh.	1,000,000 sh.
No par value.		
1st pref. 6% cum.	$37,500,000	$12,500,000
2nd pref. non-cum.	25,000,000	25,000,000
Par $100.		

Both 2nd preferred and common shares are owned by International Hydro-Electric System.

Funded Debt—
None.

Dividend Record—
First Preferred—6% per annum, payable March, June, Sept. and Dec. Initial dividend paid March 1, 1928, and quarterly since.

Head Office—Ottawa, Ont.

Officers and Directors—
Officers—A. R. Graustein, pres.; G. G. Gale, vice-pres.; H. R. Weaver, treas.; J. R. Binks, sec. and asst. treas.; A. R. Storm, asst. treas.; G. S. McCarthy, asst. sec.; Roy Campbell, asst. sec.; C. D. Young, asst. sec.
Directors—J. R. Binks, G. G. Gale, I. L. Moore, Ottawa, Ont.; V. M. Drury, Brig.-Gen. J. B. White, Montreal, P.Q.; A. R. Graustein, New York City; A. F. White, Toronto, Ont.

Years End. Dec. 31:	1933	1931	1930
Times Interest Earned:			
Before deprec.	1.80	1.71	1.67
After deprec.	1.66	1.58	1.51
Earnings per Share and Dividend Record—			
1st pref.: Earned	$21.82	$18.44	$15.40
Paid	6.00	6.00	6.00
2nd pref.: Earned	7.91	6.22	1.75
Paid	3.00	6.00	...
Common: Earned	*0.48	0.05	...
Paid	...	0.50	...

* After full year's 2nd pref. dividend.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
1st pref.	65	34	66	29	80	52

Can. Niagara Power

Canadian Niagara Power Co. is the only privately-owned company operating on the Canadian side of Niagara Falls. It is wholly-owned by Niagara Falls Power Co., a subsidiary of Niagara & Erie Power Corp.

The company has the right to divert sufficient water to develop 100,000 h.p. and output is sold to the Hydro-Electric Power Commission of Ontario and distributed in the municipalities of Fort Erie, Bridgeburg, Crystal Beach and Ridgeway.

Capitalization—	Authorized	Outstanding
Common	300,000 shs.	300,000 shs.

B. C. POWER CORP.

Conditions on Coast Restrict Earning Power in 1933 and Cause Lower Dividend Rate — Recent Trend More Favorable

A decline in earning power caused directors of British Columbia Power Corp. to reduce the dividend on the Class A stock from $2 to $1.50 a share. This action cuts the charge for dividends from $2,000,000 to $1,500,000 annually.

There is nothing inherently wrong in the company's position. Its operations have been adversely affected by the general depression in business and with an upward swing in conditions it would not take the company long to restore its earning power.

Slight Gain Recorded

For the seven months period ended January 31, 1934, cumulative gross earnings showed a decline of $237,833. This reduction was considerably more than offset by lower operating expenses, which were $297,595 less than for the corresponding seven months period of the previous year. Net operating earnings for the seven months ended January totalled $2,441,927, a gain of $59,762 over the same period of the previous year.

For the fiscal year ended June 30, 1933, the company earned $1.54 a share on the class A stock. This compares with $2.01 in the previous year. For the current period, earnings on the Class A stock are somewhat less than in 1933, but the trend of late has been more encouraging and if recent gains are maintained it is likely that share earnings during the 1934 fiscal year will be on a somewhat larger basis.

Operations Slow Down

Operations in the year ended June 30 last were not as extensive as in the preceding twelve months. Electric energy sold by the company totalled 324,085,930 kw.h. and consumers numbered 122,298. In 1932 sales aggregated $346,549,095 k.w.h. and customers numbered 121,169.

The electric railway system reported a falling off in activity in 1933, with 63,190,419 passengers carried and 218,776 tons of freight handled for a total revenue of $3,985,106. This compared with 69,862,419 passengers, 249,285 tons of freight and a revenue of $4,449,803 in 1932.

The gas department reported a revenue in 1933 of $1,461,612, representing an income from 49,269 customers who used 1,221,304 thousand cubic feet of gas. In 1932 the gas department reported an income of $1,594,022; sales of 1,313,074 thousand cubic feet; and 50,728 customers.

Capitalization—	Authorized	Outstanding
Class A pfd.	1,500,000 sh.	1,000,000 sh.
Class B	1,500,000 sh.	1,000,000 sh.
No par value.		

Funded Debt—
1st refund. coll. trust S. F. bonds, series A, 5½'s, due 1960, outstanding, $10,000,000. Series B, 5%, due 1960, outstanding $4,000,000.

Dividend Record—
Class A, present rate $1.50 per share per annum, payable quarterly, Jan., Apr., July and Oct. 19; reduced from $2 per annum Jan. 15, 1934.
Class B. None paid.

Head Office—Vancouver.

Officers and Directors—
Officers—W. G. Murrin, pres.; A. T. Goward and J. I. Newell, vice-pres.; E. H. Adams, vice-pres. and treas.; E. Rogers, sec.
Directors—G. Kidd, W. G. Murrin, W. J. Blake-Wilson, Vancouver, B.C.; A. T. Goward, Hon. Sir F. S. Barnard, Victoria, B.C.; Sir H. S. Holt, A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, S. Godin, Jr., Montreal; J. H. Gundy, Toronto; C. E. Calder, New York City; Rt. Hon. Viscount Rothermere, A. P. Holt, J. Davidson, London, Eng.

Year End. June 30:	1933	1932	1931
Times Fixed Charges Earned:			
Before deprec.	2.35	2.54	2.66
After deprec.	1.62	1.80	1.94
Earnings per Share and Dividend Record—			
Class A: Earned	$1.54	$2.01	$2.44
Earned	1.54	2.005	2.22
Paid	2.00	2.00	2.00
Class B: Earned*	...	0.005	0.22
None paid.			

* After taking participation feature into consideration.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Class A	28	14	28	15	42½	26
Class B	6¾	3	7½	3¾	18	7

B. C. ELECTRIC RAILWAY
(Controlled by British Columbia Power Corporation)

Capitalization—	Authorized	Outstanding
Cum. perpetual pref. 5%	£1,440,000	£1,440,000
Non-cum. pref. ordinary 5%	1,440,000	1,440,000
Ordinary	2,000,000	908,163
Par £1.		

Parent company holds all the outstanding preferred ordinary, deferred ordinary and ordinary shares of the company's stock.

Funded Debt—
Perp. Cons. deb. stock, 4½% ... £2,788,170
Van. Pr. perp. guar. deb. stock, 4½% ... 1,500,000

Dividend Record—
Preferred—5%, cumulative, payable semi-annually on 15 Jan. and July.

Head Office—Vancouver.

B. C. ELECTRIC POWER & GAS
(Controlled by B. C. Electric Railway)

Capitalization—	Authorized	Issued
Pref. 6% cum.	$5,000,000	$5,000,000
Par $100.		
Common	20,000,000	$15,248,012
Par $1.		

* Entirely owned by parent company.

Dividend Record—
Preferred—6 per cent cumulative, payable quarterly on 1 Jan., April, July and Oct.

Head Office—Vancouver.

VANCOUVER POWER CO.
(Controlled by British Columbia Electric Power & Gas Co., a unit of the British Columbia Power Corp.)

Capitalization—	Authorized	Outstanding
Common	$9,500,000	$9,500,000
Par $1.		

Entire issue held by parent company.

Funded Debt—
The funded debt of the company is guaranteed by the British Columbia Electric Railway Co. For details see under funded debt of B. C. Electric Railway.

Head Office—Vancouver.

WESTERN POWER
(Controlled by the Vancouver Power Co., a unit in the B. C. Power Corp.)

Capitalization—	Authorized	Outstanding
Common	$5,000,000	$5,000,000
Preferred	5,000,000	850,000

Par $100. The Vancouver Power Co. owns 99.7% of the entire preferred and common stock outstanding.

Funded Debt—

1st mtg., 5% due 1949	$5,000,000	$4,330,667
5½% deb., due 1960	†$4,000,000	$4,000,000

†All pledged as collateral for bonds of B. C. Power Corp.

Head Office—Vancouver.

NEWFOUNDLAND POWER

Economic Conditions on Island Militate Against Advance

While economic conditions on the Island have not been all that could be desired, operations of the Newfoundland Light and Power Co., controlled by International Power Co., have been on a fairly satisfactory basis. Power sales are reported to have held up fairly well and while no financial statement is issued by the company, reports are that income did not show any material falling off from that reported in 1932.

Newfoundland Power operates under a perpetual franchise in St. John's, subject only to the city's right to purchase the undertaking as a going concern after 1946. In addition to supplying the St. John's area with light and power, Newfoundland Power also owns and operates the municipal tramway system. Details of the company's operations are lacking, but some idea of the extent of its operations may be gathered from the fact that the company has approximately 8,000 light and power customers.

No Separate Report

Financial returns of the company are incorporated with those of the parent company, International Power, which in turn is controlled by Canadian financial interests. Direct public investment interest lies in the company's first mortgage bonds, of which $1,400,000 were offered early in 1924. Of the capital stock, amounting to $1,500,000, over 95 per cent is owned by International Power. Since 1928 dividends paid annually on this stock have amounted to 4 per cent of the par value of $100 a share.

NEWFOUNDLAND LIGHT & POWER
(Controlled by International Power)

Capitalization—	Authorized	Outstanding
Common	$2,000,000	*$1,500,000

*Over 95% held by parent company.

Funded Debt—
1st mtge. 6½ per cent bonds, series A, due 1949, outstanding $1,315,500; 5½ per cent series, due 1971, outstanding $800,000; 7 per cent mtge. debs., due 1949, outstanding $480,000.

Dividend Record—
Initial dividend of 2 per cent paid in 1926; in 1927, 3 per cent; and in 1928, 1929, 1930 and 1931, 4 per cent. Not reported for 1932.

Executive Office—Montreal.
Officers—I. W. Killam, pres.; F. C. Clarke, sec.; J. W. Kent, asst. sec.
Directors—I. W. Killam, Denis Stairs, F. C. Clarke Montreal; Sir Marmaduke Winter, C. A. C. Bruce, Lt.-Col. L. C. Outerbridge, C. C. Hunt, St. John's, Newfoundland.

Diversified Portfolios Include Public Utility Bonds

Trend toward lower interest rates in Canada and abroad is being stimulated by increasing favourable factors and diminishing disturbing factors in the business outlook.

Diversified investment portfolios should include Canadian Public Utility securities which may still be obtained to yield attractive interest returns. Bonds of some of Canada's outstanding public utilities are included in the following list:

Security	Rate %	Maturity	Price	Yield %
Dominion of Canada	4	1952	99.00	4.07
Dominion of Canada Gtd. (C.N.R.)*	4½	1957	103.50	4.26
Province of Ontario†	4½	1965	103.00	4.32
Province of Manitoba	5½	1955	97.00	5.75
Province of Saskatchewan	5½	1952	96.00	5.85
City of Montreal	4½	1939	99.00	4.71
Montreal Light, Heat & Power Cons.†	5	1970	108.50	4.53
Shawinigan Water & Power Co.†	5	1970	96.00	5.25
British Columbia Power Corporation†	5½	1960	100.50	5.46
Gatineau Power Company†	5	1956	92.00	5.63
Beauharnois Light, Heat & Power Co.	5½	1973	95.50	5.79
Duke-Price Power Company*	6	1966	92.50	6.52

*Payable in Canada or New York.
†Payable in Canada, New York or London, Eng.

Further information regarding the foregoing securities gladly furnished upon request.

36 King Street West
Toronto
Telephone: ELgin 4321

Wood, Gundy & Company Limited

DOMINION Gas & Electric Co.

Serving a 260,000 population in Western Canada

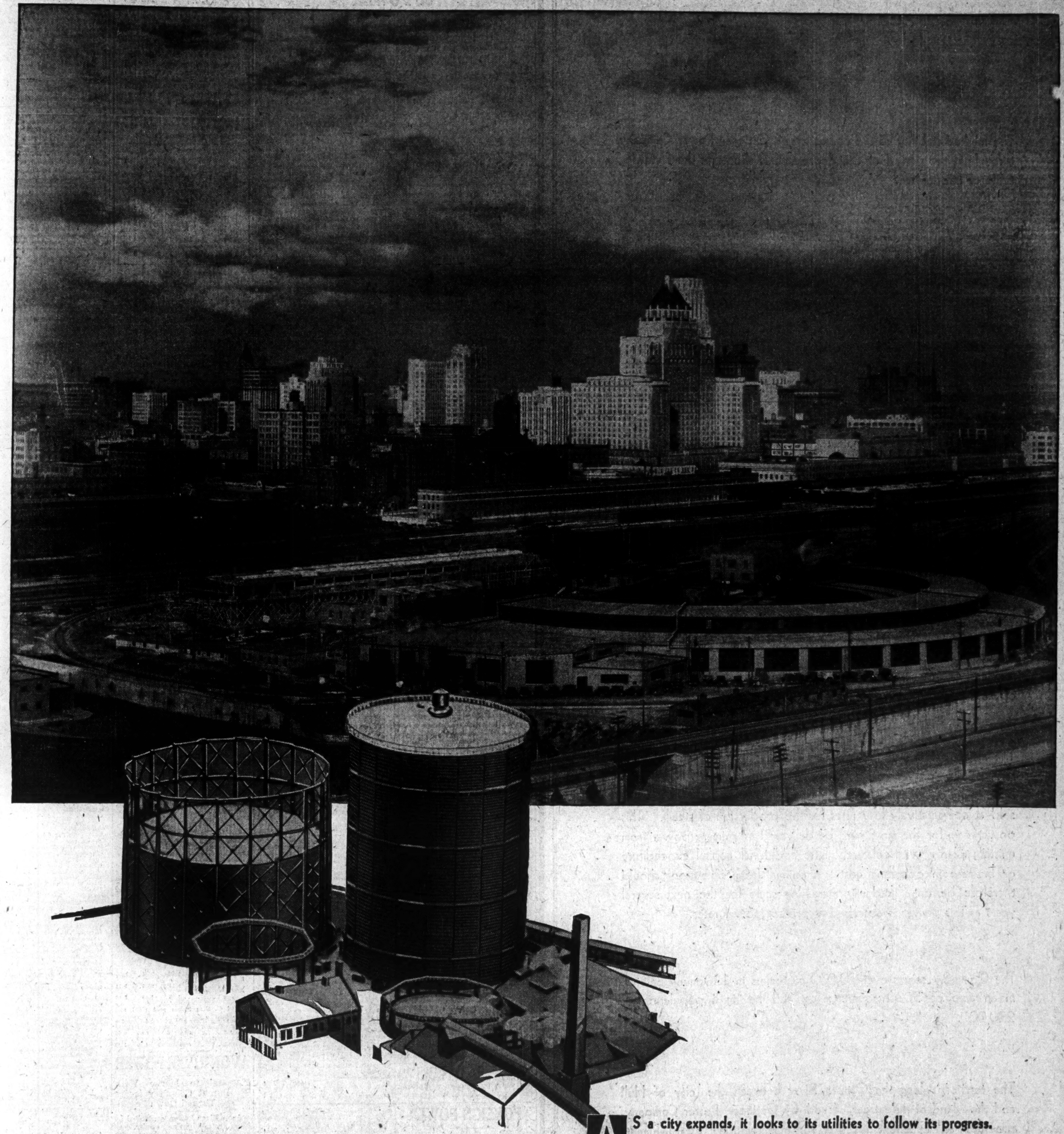
CITIES—*Alberta:*—Calgary, Edmonton, Lethbridge and Drumheller; *Saskatchewan:*—Prince Albert and Yorkton; *British Columbia:*—Nanaimo and Duncan

Towns and other Communities	Totalling 104
Gas Pipe Lines, Transmission	462 miles
Gas Distributing Mains	442 miles
Electric Power Plants	17
Pole Lines	1,295 miles
Gas Consumers	33,184
Electrical Consumers	18,564
Gas Consumption 1933	9,440,401 M.C.F.
Electrical Consumption, 1933	19,822,049 KWH.

(Figures Quoted above are as of December 31st, 1933)

Operating Companies:—

The Canadian Western Natural Gas, Light, Heat & Power Co., Limited
Northwestern Utilities Limited
Canadian Utilities, Limited
Union Power Company, Limited
Nanaimo Electric Light, Power & Heating Company Limited
Duncan Utilities Limited



AS a city expands, it looks to its utilities to follow its progress. Water, electricity, telephones, transportation, and gas service follow closely on the heels of development.

Since 1848, the Consumers' Gas Company, alive to every sign of expansion, has provided the facilities that home and factory need to ensure a plentiful supply of quick, dependable heat. To Toronto's boundaries and beyond; north east and west; are laid a thousand miles of gas mains, affording continuous service to over 170,000 customers.

THE CONSUMERS' GAS COMPANY OF TORONTO.

STABILITY

The marked stability of the operations of Gatineau Power Company throughout the period of the depression is shown in the following table of information.

	Number of Customers at Dec. 31	Consolidated Peak Load	Net Revenue Before Interest, Depreciation, and Dividends
1927	15,000	200,000 hp.	$1,289,000
1928	17,100	383,300 hp.	$2,763,000
1929	18,100	518,900 hp.	$4,839,000
1930	19,100	605,495 hp.	$6,819,000
1931	20,094	650,235 hp.	$7,659,000
1932	20,544	660,087 hp.	$8,396,000
1933	20,614	656,286 hp.	$8,230,000*

*Twelve months ended Sept. 30, the latest published figure.

In its latest published earnings' statement, for the twelve months ended September 30, 1933, Gatineau Power Company reported that consolidated net revenue available for interest and depreciation was $8,229,809 compared with $8,363,907 in the twelve months ended September 30, 1932. The 1933 figure is after loss on exchange of $247,611 while the 1932 figure includes a profit on exchange of $317,754.

Net revenue of $8,229,809 in the twelve months ended September 30, 1933, was two and one-third times the interest on the Company's first mortgage 5% gold bonds and prior liens. After deducting this interest the balance of earnings was $4,701,823, or four and one-quarter times the interest on the 6% gold debentures of the Company.

◆ ◆

The major portion of the power sold by the Company on long term primary power contracts is now being delivered. There still remains, however, 64,765 horsepower which is at present being sold at comparatively low rates for the production of steam. This power can, for the most part, be delivered as primary power from existing plants with relatively little additional capital expenditure or increase in operating cost. Earnings from operations should therefore be on a gradually increasing scale for the next several years as this power is absorbed at primary power rates.

◆ ◆

The Company serves over 20,000 customers in 130 municipalities, in an area of 5000 square miles, and having a population of 220,000.

◆ ◆

The territory along the Ottawa River between the city of Hull and the island of Montreal, served by Gatineau Power Company, provides an excellent location for manufacturing establishments or branch plant development. Market studies and industrial information regarding this territory will be supplied without obligation on request from manufacturers and others contemplating the erection of plants.

Gatineau Power Company

Ottawa Ontario

BRAZILIAN TRACTION, LIGHT & POWER

Canada's Greatest Company Outside Dominion's Borders Hampered by Exchange Inadequacy and Cancellation of Gold Contracts — Coffee Destruction May Aid Exchange by 1935

Brazilian Traction Light & Power Company, which has been operating in Brazil through subsidiaries since its formation under Dominion laws in 1912, has had a wall placed between the company and its shareholders by reason of the inability of foreign-owned companies operating in Brazil to find sufficient foreign money available to pay dividends.

Brazilian, through its controlled and subsidiary companies, does a street railway, electric light and power, gas and telephone business in the cities of Rio de Janeiro, Sao Paulo, Santos and adjacent territory. It serves an urban population of about 3,000,000 in the federal districts of Sao Paulo, Rio de Janeiro and Minas Geraes in Brazil. At the end of 1932 the power plants of the company had a capacity of about 400,000 h.p. with another 60,000 h.p. partly constructed. Practically all installations are hydro-electric.

Consumption of electrical energy has shown a rapid increase since 1925 when a prolonged period of drought caused a power shortage. The construction by the company of several new power plants and storage reservoirs has minimised the possibility of another shortage on account of lack of water. The company during 1927, 1928 and 1929 acquired a number of small local companies in order to extend the services rendered by the present power plant.

President's Gold Decree

The restrictions regarding exchange have been growing in severity through part of the depression. All transactions in exchange are under the control of the Bank of Brazil and quotations in consequence are largely nominal. Under these circumstances, and in view of the shortage of cover to meet the requirements of the market, the subsidiary companies have been able to remit only a limited portion of their available funds. The exchange situation is the chief problem of the company. Up until December last the company was able to make way against this situation in part because it had contracts for a number of services on a gold basis; that is, whenever there were fluctuations in the exchange value of the Brazilian milreis the rates it charged for service were adjusted in direct proportion to the value of the milreis in some currency on a gold basis. President Vargas several months ago, made a decree rendering nugatory all such contracts. This action, described by the company as arbitrary, has made it necessary for all contracts on a gold basis to be rearranged in various communities.

Final Rates To Be Set

Temporary rates have been set which the company states mean a loss in revenue. An arbitration commission will be available, it is stated, so that disputes as to adequacy of rates can be argued and decided. The ultimate effect of the decree cannot be known until final hearing in all communities before the arbitration commission. In any case it is obvious that the new decree renders the dependence of Canadian, American, British and Belgian investors on the exchange value of the milreis almost absolute.

Bright vs. Dark

Brazilian Traction's future prospects bear two aspects so far as the common shareholder is concerned. On the one side he sees a country of immense natural resources, large population and possibilities for expanding commerce and industry only limited by the natural ability, industry and capacity for self-government of the people. On the other he is discouraged by Brazil's international position and the fluctuations in its favorable balance of trade on which alone can a stable exchange be kept up so as to permit foreign-owned companies to export dividends when earned.

The chief factor governing the exchange policy of the country is that coffee was greatly over-produced some years ago because coffee prices were kept artificially high by a Brazilian policy of "orderly" marketing, which meant withholding supplies from the market if they would tend to break the price. Under that policy other countries with suitable soil and temperature for coffee growing extended their coffee plantations materially and there was a tremendous expansion in Brazil as well.

Coffee prices dropped to very low levels as a result but the last few years have apparently proven that Brazil is able to produce more cheaply and more continuously than other countries. Her exports have increased while exports from other countries have dropped. In addition, the Brazilian Government has pursued a drastic coffee destruction programme. Inferior coffee wherever found has been purchased by means of an export tax and burned or dumped in the ocean at the rate recently of 1,000,000 bags a month. At the same time taxes and strict regulations have been imposed to prevent new planting. Planters with trees from 25 to 30 years old have therefore tended more and more to root them up and to go in for cotton fields and orange groves instead of coffee plantations. By 1935, if there is a poor coffee crop in 1934 as expected, the supplies available for world consumption should be in line with that consumption. If prices then begin to go upward the effect will be very favorable on Brazilian exchange and the Bank of Brazil would be more lenient in permitting the export of dividends. The mere expectation has strengthened prices recently.

Net Earnings Lower

In 1933 the net earnings of Brazilian Traction were 7.7 per cent below those of 1932 as expressed in Canadian dollars.

The Vargas gold clause cancellation decree became effective in December. Returns for that month only partly show the effect of the temporary rates established in milreis. January gross was $2,346,166 compared with $2,305,568 in January, 1933, and $2,412,866 in November just before the decree. Operating expenses increased and net earnings for January were $1,192,000 as compared with $1,220,000 in January, 1933, and $1,303,544 in November last.

Latest figures show the company has 532 miles of tramway tracks in Brazil and total car miles run are 65,707,625 to which total 193 gasoline buses contribute 7,889,125 bus miles. The tramway and bus services serve a population of 3,068,400 and in 1932 total passengers carried were 728,134,991.

The company sold 821,164,791 kilowatt hours of electric light and power in 1932 to 348,783 consumers and served a population of 4,323,600.

It sold 96,225,888 cubic meters of gas in 1932 to 78,432 consumers. It also sold 9,436,287 cubic meters of water to 17,454 consumers.

As for its telephone company there were 113,588 telephones in service in an area with 9,299,000 population.

Capitalisation—	Authorised	Outstanding
Ordinary ..... No par value.	*7,600,000 sh.	7,027,660 sh.
Pref. 6% ...... Par $100.	$10,000,000	$393,400

*Authorisation of ordinary shares subject to increase up to a total of 7,933,333 shares by conversion of preference shares.

Funded Debt of Subsidiaries—

Rio de Janeiro Tram., Light Power bonds 5%, 1st mtge., due 1935	$25,000,000
Bonds 5% mtge., due 1958 ...	18,768,879
5% 22-yr. bonds, due 1950 ...	1,317,095
Jardim Botanico Tramways, 5%, 1st mtge., due 1951 ...	£1,400,000
Sao Paulo Tram., Light, Pwr. Perp. cons. deb. stock 5%..	3,999,996
Sao Paulo Electric, 1st mtge. bonds, due 1962	9,733,333
Brazilian Telephone, 6% 1st mtge., due 1949	7,500,000
City of Santos Improvements, 5% debs., due 1938	268,158

Dividend Record—

Preferred—6% per annum, cumulative, payable quarterly, Jan., Apr., July, Oct. 1. Ordinary—None at present. In 1930, company instituted payment of stock dividends in lieu of cash. Stock dividend of 1% was paid March 1, 1930, in addition to 50c. cash dividend; cash dividends of 50c. paid June and Sept. 1, 1930; 2% stock dividend Dec. 1, 1930 and March and June 1, 1931; cash dividends of 25c. Sept. and Dec. 1, 1931, and March 1, 1932. Stock dividends of 2% paid June 1 and Sept. 1, 1932; no cash or stock payments since.

Head Office—Toronto.

Officers and Directors—

Officers — Miller Lash, pres.; H. H. Cousens, executive vice-pres. in Brazil; E. R. Wood, R. C. Brown, H. M. Hubbard, A. W. K. Billings, Walter Gow, vice-presidents; A. W. Adams, sec. and treas., Toronto; asst. secretaries: D. H. Cromar, Toronto; W. D. Hooper, London.

Directors—D. B. Hanna, Miller Lash, Sir John Aird, Rt. Hon. Sir T. White, R. C. Brown Toronto; Sir Alex. Mackenzie, London and Rio de Janeiro; H. M. Hubbard, A. P. Holt, London, Eng.; R. O. Hayward, New York; A. W. K. Billings, H. H. Cousens, Rio de Janeiro; J. M. McConnell, Montreal, Que.; C. D. Magee, E. R. Wood, Walter Gow, Toronto.

Earnings per Share and Dividend Record:

	1932	1931	1930
Pref.: Earn.	$1,331.84	$2,386.66	$4,119.30
Paid	6.00	6.00	6.00
Ord.: Earn.	0.74	1.39	2.80
Paid	*0.25	*0.50	*1.50

*Stock dividends, in 1932 and 1931, 4%; in 1930, 3%.

Twelve Months Ended Dec. 31:

	1933 $	1932 $	Increase $
Gr. earn. ..	28,469,704	29,358,420	-888,716
Oper. earn.	12,973,647	12,569,087	†404,560
Net earn. ..	15,496,057	16,789,333	1,293,276

†Decrease.

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Ordinary ..	19	7	14¾	7¾	28½	7⅞

FOREIGN POWER

Condition of French Utilities Affects Position of Holding Company

Foreign Power Securities' financial position and earning power, like those of other holding companies, have been affected by market conditions and lower income. Most of the company's holdings are in French utility securities which have declined in value and earning power. Properties in which Foreign Power is interested, however, are well regarded, but a return to dividends on the company's own preferred stock will have to wait until there is an upswing in business conditions in France.

During the 12 months ended last October, Foreign Power's income was just under bond interest requirements. This does not take into consideration the sale of a fair-sized block of securities under favorable circumstances, the profit arising from this deal being used to set up a reserve against investments.

Investments of the company at the end of last October were shown on the balance sheet at a book value of $10,481,483. This compares with a market value of $5,337,258. At the close of the previous fiscal year investments had a book value of $11,395,588 and a market value of $6,802,237.

Capitalization—	Authorized	Outstanding
Pref. 6% .... Par $100.	$5,000,000	$5,000,000
Common .... No par value.	*250,000 sh.	125,000 sh.

* 90,000 of the unissued shares are reserved for the conversion of the bonds.

Funded Debt—

First collateral trust 6 per cent convertible, series A, due 1949, outstanding $4,172,000.

As at June 30, 1931, Power Corp. of Canada held $403,000 bonds, $386,800 preferred and 41,711 common shares. No later figures available.

Dividend Record—

Preferred—6 per cent cumulative participating, payable Feb., May, Aug. and Nov. 15. Initial dividend paid Aug. 1, 1927; paid regularly thereafter to May 15, 1932; none since.

Common—An interim dividend of $1 per share paid Jan. 20, 1930. None since.

Head Office—Montreal.

Officers and Directors—

Officers—A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; L. C. Haskell, sec.; C. Johnstone, treas.; V. J. Nixon, asst. sec.; T. Irving, asst. treas.

Directors—A. J. Nesbitt, J. B. Woodyatt, P. A. Thomson, L. C. Haskell, E. R. Parkins, G. M. Todd, all of Montreal.

	1933	1932	1931
Times Interest Earned	0.87	0.85	1.92
Earnings per Share and Dividend Record—			
Pref. Earned	nil	nil	$5.40
Paid	...	3.00	6.00
Common: Earned .	nil	nil	nil
Paid	nil	nil	nil

* Before provision for income tax.

Market Record—

1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
5	1½	3⅛	1½	15	5

Production Is Concentrated

The 25 largest central electric stations in Canada produced over 95 per cent of the Dominion's total output. Four of them produced 61 per cent of the total.

Turbines Installed Reach New High

Canada's rank among the power-using countries of the world is evidenced by its developed water power resources. At the beginning of 1934, according to a report of the Bureau of Statistics, there was a turbine installation of 686 h.p. per thousand of population. Well in the lead was Quebec Province with 1,176 h.p. per thousand population. British Columbia was second, followed by Ontario. Particulars of the turbine installation at the beginning of 1934 and the ratio to population follow:

	H.P. installed	H.P. per 1,000 population
B. C.	717,602	1,008
Alta.	71,597	95
Sask.	42,035	44
Man.	390,925	541
Ont.	2,355,105	668
Que.	3,493,320	1,176
N. B.	133,681	318
N. S.	112,167	215
P. E. I.	2,439	27
Yukon	13,199	943
Total	7,332,070	686

N. S. POWER

Reduction in Dividends Reflects Earning Power

Nova Scotia Light and Power Co., operating the public utility services in Halifax and Dartmouth, as well as controlling Avon River Power Co. and other utility units in Nova Scotia, reduced the dividend on its common stock last year from $1 to 75 cents a share quarterly. On this basis, the annual distribution of profits in the form of dividends is reduced from $138,092 to $103,569.

While no statement has been issued by the company, this action has likely been taken by the directors in view of the fact that net income available for distribution on the common stock declined from $205,008 in 1930 to $124,488 in 1932, and to the unsatisfactory working capital position.

Need Working Capital

Nova Scotia Light's balance sheet at the end of 1932 showed an excess of current liability over current assets totalling $179,002 compared with $73,340 at the end of the previous year. Among the current liabilities, at the close of 1932, was a bank loan of $150,000, an amount $50,000 less than at the end of 1931.

On the new dividend basis, earnings of the company are sufficient to take care of payments provided that net revenues in 1933 were on or above the 1932 basis.

Largest in Province

Nova Scotia Light and Power is the largest privately-owned utility operating in Nova Scotia. It is engaged in the light or gas and tramways business. Power is supplied from the company's own steam plant, while a hook-up with its subsidiary, Avon River Power, has enabled it to obtain power from that source. In addition, purchases of power are made from the Nova Scotia Power Commission.

Of its three main operating divisions, power and gas department earnings have held up fairly satisfactorily, but the tramways division has not been so fortunate, earnings having shown a sharp reduction in recent years.

Capitalization—	Authorized	Outstanding
Common .... No par value.	50,000 shs.	34,523 shs.
Preferred, 6% ... Par $100.	$5,000,000	$1,250,000
Funded Debt—		
First mtge. 5% series A bonds, due 1958	4,345,000	4,264,500

Dividend Record—

Preference—6 per cent per share per annum, payable quarterly, March, June, Sept. and Dec. 1.

Common—$3.00 per share per annum, payable quarterly, Jan., April, July and Oct. 1. Initial dividend at this rate paid July 3, 1933. Previous rate was $4 per annum, initiated with quarterly payment of $1.00 per share on Jan. 2, 1930.

Head Office—Halifax.

Officers and Directors—

Officers—J. C. MacKeen, pres.; J. McG. Stewart, vice-pres.; J. B. Hayes, Mgr.; C. J. Hayes, sec.; A. W. Wentzell, treas.

Directors—Hon. W. H. Covert, H. E. Mahon, J. McG. Stewart, J. C. MacKeen, G. MacG. Mitchell, Halifax; W. H. Chase, Wolfville, N.S.; Denis Stairs, R. J. Macadam.

Times Bond Interest† Earned—Years End. Dec. 31—

	1932	1931	1930
Before deprec. & other int.	2.27	2.46	3.14
After deprec. & other int.	1.76	1.88	2.40

† And U. S. premium paid (1931 and 1932).

Earnings per Share and Dividend Record—

Pref.: Earned	$15.96	$16.42	$20.11	$32.40
Paid	6.00	6.00	6.00	6.00
Com.: Earned	3.61	3.77	6.00	6.00
Paid	4.00	4.00	4.00	5.74
				1.00

AVON RIVER POWER

Proposal to Merge With Parent Company is Turned Down

Avon River Power, controlled by Nova Scotia Light and Power, does not make public any statement with regard to its operations or earning power. Its income is consolidated with that of the parent company.

It is reported that no particular change took place in the company's operations over the past twelve months.

The company's two main plants on the Avon River and the Gaspereaux River were operated throughout the year. These two plants have an installed capacity of 3,700 h.p.

Merger Proposal Denied

Following the acquisition of the voting stock of the company by Nova Scotia Light and Power, a move was made to consolidate the two properties. Application to this effect was made before the Nova Scotia Public Utilities Board but in view of opposition from the City of Halifax and other interested parties, the commissioners did not give their approval to this scheme. Consequently the two properties continue to be separately operated though the financial statements are consolidated with that of Nova Scotia Power.

Sell Power to Halifax

Transmission lines of Avon River Power today spread throughout the Annapolis Valley from Windsor to Middleton and from Waverly to Brookfield. In addition a portion of the electrical energy demand of the City of Halifax is supplied by a line from the Avon River development.

The only public investment interest in this company is that of the first mortgage bonds.

Capitalization—	Authorized	Outstanding
Preferred, 6% ... Par $100.	$200,000	$200,000
Common .... Par $100.	300,000	225,000

Common all owned by Nova Scotia Light & Power Co.

Funded Debt—

1st mtge. sink. fund 5½ per cent bonds, series A, due 1956, $649,000; series B, due 1957, $193,400; series C, due 1958, $95,900.

Dividend Record—

Preferred—None paid since 1927.

Head Office—Windsor, N.S.

Officers and Directors—

Officers—W. H. Chase, pres.; J. C. MacKeen, vice-pres.; R. A. Jodrey, man. dir.; T. B. Akin, sec.-treas.

Directors—W. H. Chase, Wolfville, N.S.; J. C. MacKeen, J. McG. Stewart, J. B. Hayes, His Hon. W. H. Covert, K.C., Halifax, N.S.; R. A. Jodrey, T. B. Akin, Windsor, N.S.; G. A. Chase, Port Williams, N.S.

BARCELONA POWER

Spanish Enterprise Maintained Earnings — Working Capital Higher

Barcelona Traction, Light and Power Co., which was incorporated under Dominion laws in 1911, is a holding company for subsidiaries engaged in northern and eastern Spain in the manufacture, distribution and sale of hydro-electric power and bituminous gas for commercial and domestic purposes.

The company, through its subsidiaries and by lease, owns and controls a 700,000,000 cubic feet storage reservoir at Talara, another at Camarasa, and owns and operates hydro-electric plants on the Ebro, Pallaresa and Segre rivers, with a total installed capacity of about 435,000 h.p. The company also receives power under contract from developments of other companies to the extent of 50,000 h.p. The subsidiaries have an extensive system of high tension lines, transformer stations and terminals throughout the Province of Catalina.

Furnish Power and Gas

The Barcelona Electric Co. furnishes electric light and power to the City of Barcelona and surrounding districts through its extensive system of canalizations. The population of the area served by this subsidiary is about 1,200,000. The lighting and power subsidiaries operating in Tarrasa, Tarragona, Rues and Tortosa, which are situated in a manufacturing district, and elsewhere throughout the province, serve an industrial population estimated at 1,350,000.

Gas for heating and lighting purposes is manufactured in Barcelona by the Barcelona Electric Co. to the extent of 3,329,244 cubic meters in 1932.

Gross earnings in 1933 amounted to 112,910,277 pesetas, an increase of 1.45 per cent over the 11,301,962 pesetas earned in 1932. Operating expenses, however, advanced 3.81 per cent from 37,609,586 pesetas in 1932 to 39,043,617 pesetas in 1933. The net earnings, therefore, showed only an increase of .24 per cent, being 73,866,660 pesetas in 1933 and 73,692,376 pesetas in 1932.

Has Built Up Surplus

Net earnings showed increases for most months. They were down somewhat in April because of severe labor troubles. The exchange situation for some years has not been very favorable but there has been a tendency for the peseta to line itself up with the pound which, in the end, may prove helpful to British security holders.

Some years ago the company sold its tramways and irrigation interests and recent events have shown that it was wise to sell.

The company expects to finish in 1935 the installation of two turbines of 22,800 h.p. each in connection with the Terradets hydro-electric development on the Noguera Pallaresa River.

Revolutionary disturbances so far have caused no serious damage to the company's interests.

No dividends have been paid on the common stock since the quarterly dividend was passed on June 30, 1930. The suspension of dividends has resulted in a surplus exceeding $2,000,000.

Working Capital Higher

Its working capital also exceeds $2,000,000, whereas two years ago there was a deficiency of half a million dollars and a year earlier than that more than two and a half million dollars. Bank loans were paid off two years ago and the company's accounts payable sharply reduced.

The general reserve has been strengthened but the funded debt is somewhat higher.

Capitalization—	Authorized	Outstanding
Common .... No par value.	2,500,000 sh.	1,798,854 sh.

Funded Debt—

Cons. prior lien 6½ per cent. bonds, due 1965	$13,748,333
6 per cent bonds, due 1972 ..	12,282,540
5½ per cent 1st mtge. bonds due 1974	8,162,957
Outstanding bonds issue of con. companies	37,454,069

Dividend Record—

None at present. Last paid 50c. Mar. 14, 1931.

Head Office—Toronto.

Officers and Directors—

Officers—H. M. Hubbard, chm.; Henri Speciael, pres.; R. C. Brown, vice-pres.; Miller Lash, vice-pres.; Walter Gow, vice-pres.; R. H. Merry, sec.-treas.; W. D. Hooper, J. S. Holmested, asst. secs.

Directors — H. M. Hubbard, R. C. Brown, Miller Lash, C. D. Magee, E. R. Wood, Toronto; Marques de Alella, Domingo Sert, F. Fraser Lawton, Marques de Foronda, Barcelona, Spain; D. N. Heineman, Henri Speciael, Brussels; Walter Gow, Rt. Hon. Sir T. White, A. W. K. Billings, Toronto; W. D. Dawes, London, Eng.

	1933	1932	1931
Times Bond Int. Earned.*	1.94	1.96	2.53

*After depreciation, administration and reorganization expense.

Earns. per Share & Div. Record:

Ord.: Earn.	$0.73	$0.81	$1.12
Pd. on old shs.	...	...	0.50
Pd. on new shs.	...	0.50	1.00

*Based on shares outstanding as at Dec. 31 in each year.

Earnings: Twelve Months Ended December 31:

	1933 Pesetas	1932 Pesetas	% Incr.
Gr. earn.	112,910,277	111,301,962	1.45
Oper. exps.	39,043,617	37,609,586	3.81
Net earns.	73,866,660	73,692,376	0.24

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Com.	17	10	10¼	10¼	24	8½

Churchill River Power

Wholly-owned by Hudson Bay Mining & Smelting Co., the Churchill River Power Co. operates a power plant on the Churchill River in Saskatchewan, 58 miles north of Flin Flon at Island Falls. Operation was started in 1930 and the five units have a total capacity of 44,500 h.p. In 1932 187,334,650 kw.h. was generated while the load factor was 86.8 per cent.

SOUTHERN CANADA POWER

Reduction in Rate Schedule Will Affect Immediate Earning Power — Dividend Placed on Lower Basis

An outstanding feature of Southern Canada Power's operations last year was the decision of the management to reduce the power rates of St. Hyacinthe and several other small municipalities in its territory following upon the action of St. Hyacinthe's ratepayers to establish a municipal system.

This move on the part of Southern Canada is regarded with mixed feelings. It is the opinion in some quarters that the company did not handle the situation properly and that the concession made is likely to have repercussions far beyond the municipality in question. Whether or not such is the case, the fact remains that Southern Canada Power has made the reduction and its revenue from domestic service in the larger towns is likely to be affected until such time as demand increases and offsets the loss in revenue due to the lower rate.

In its last fiscal year ended September 30, Southern Canada earned 80 cents a share on its common stock. This compares with 94 cents a share in the preceding year. The reduction in share earnings reflects the small return on power sales during the fiscal year, as well as a contraction in merchandise sales and miscellaneous revenue. The latter represents income from subsidiaries and investments, revenue from which source amounted to $161,214 in 1933 compared with $224,713 in 1932.

Reduce Common Dividend

Owing to the reduction in net revenue, due to lower gross income, increased taxes, payment of premium on purchase of United States funds to meet bond interest requirements, and increased dividend on preferred stock, the directors reduced the dividend on the common shares from $1 to 80 cents a share. This action was not unexpected and it is felt that the company will be able to maintain distribution on the new basis provided that income does not show any further contraction.

Over a period of years, earning power of Southern Canada Power has been on a relatively stable basis. The company has long been noted for its activity in securing new industries. The majority are small but the diversity of activity has provided a considerable degree of stability in industrial operations which in turn is reflected in domestic service and revenues.

Capitalization—	Authorized	Outstanding
Pref. 6% cum. .. Par $100.	$10,000,000	$7,088,900
Common .... No par value.	500,000 sh.	400,000 sh.

Funded Debt—
1st mtge. bonds, 5%, due 1955, series A, outstanding $6,000,000.

Dividend Record—
..Preferred—6% per annum, payable quarterly, 15 Jan., April, July and Oct. Paid regularly since initial dividend April, 1920.
Common—Present rate 80 cents per annum, payable quarterly, Feb., May, August and Nov. 15.
Initial payment of 25 cents per share made on new stock Feb. 15, 1929, and regularly to Aug. 15, 1933; reduced to present rate Nov. 15, 1933.

Head Office—Montreal.
Officers and Directors—
Officers—J. B. Woodyatt, pres and gen. mgr.; J. M. Robertson, J. S. H. Wurtele, P. T. Davies, vice-pres.; L. C. Haskell, sec.; C. Johnstone, treas.; V. J. Nixon, asst. sec., and T. Irving, asst. treas.
Directors—J. Davidson, J. M. Robertson, A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, P. T. Davies, J. S. H. Wurtele, Montreal, Que.; R. R. Moodie, Hamilton, Ont.; W. K. Baldwin, Baldwins Mills, Que.; W. H. Miner, Granby, Que.; Hon. G. Parent, Quebec, Que.; J. S. Gillies, Braeside, Ont.

Years End. Sept. 30:	1933	1932	1931
Times Interest Charges Earned—			
Before deprec.	3.56	3.74	3.99
After deprec.	2.99	3.15	3.34
Earnings per Share and Dividend Record—			
Preferred: Earned	$10.51	$11.33	$12.41
Paid	6.00	6.00	6.00
Common: Earned .	0.80	0.94	1.09
Paid	1.00	1.00	1.00

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Pref. ...	91	6¼	90	60	106¼	104
Com. ...	19½	9⅝	25¼	10	32	22¾

SHERBROOKE RAILWAY
(Controlled by Southern Canada Power)

Capitalization—	Authorized	Outstanding
Common .... Par $100.	$1,500,000	$1,127,000

Southern Canada Power owns $1,117,500 of the outstanding capital stock. No dividends paid.

Funded Debt—
Sherbrooke Street Railway, 1st mtge., 5% bonds, due 1927*, outstanding $100,000.
Sherbrooke Rly. and Power, 1st mtge., 6% bonds, due 1940, outstanding $579,000.
Consolidated gold bonds, 6% due 1940†, outstanding $500,000.
*Entire issue held in escrow.
†Outstanding deposited as collateral security for loans.

Head Office—Montreal.
Officers and Directors—
Officers—J. B. Woodyatt, pres. and gen. mgr.; L. C. Haskell, vice-pres. and sec.; C. Johnstone, treas. and compt.; V. J. Nixon, asst. sec.; T. Irving, asst. treas.
Directors—V. J. Nixon, A. J. Nesbitt, J. B. Woodyatt, L. C. Haskell, C. Johnstone, T. Irving, Montreal.

Ontario Hydro Leads 25 Great Power Systems

Ontario Hydro Electric Power Commission is the largest central electric system in Canada and one of the largest in the world. The number of kilowatt hours of electric energy generated by this system in 1933 exceeded 3,000,000,000, according to preliminary estimates. In 1932, the system reported 2,985,187,370 kw.h. generated.

The following table showing the output of the 25 largest central electric stations in Canada during 1932 (the latest year for which complete figures are available) is interesting and informative in that it shows the large size to which some of these systems have grown in comparatively few years. These stations, in the aggregate, produced over 95 per cent of the total output and four of them produced 61 per cent. The relative standing of the systems changed somewhat during the past year, especially those among the lower brackets. In the latter class might be placed Beauharnois Light, Heat and Power Co., whose output for 1932 covered only three months. When returns are completed for 1933, it is expected that Beauharnois will be well up on the list.

	Kilowatt hours generated
Hydro-Electric Power Commission of Ontario	2,985,187,370
Shawinigan Water and Power Co.—	
Quebec Power Co...	
Canadian Light and Power Co.	2,610,343,123
Canadian Hydro-Electric Power Corp.—	
St. John River Power Co.	2,509,910,452
Duke-Price Power Co.	1,673,119,325
West Kootenay Power Co.	580,021,067
Winnipeg Electric Co. and Manitoba Power Co.	511,024,078
Montreal Light, Heat and Power Consolidated	477,028,150
British Columbia Power Corp.	465,000,724
Canada Northern Power Corp.	441,150,290
Alcoa Power Co.	413,780,051
Winnipeg Hydro Electric System	384,103,830
Canadian Niagara Power Corp.	273,909,700
Abitibi Electric Development Co.	204,282,001
Churchill River Power Co.	187,334,650
James Maclaren Co.	176,874,750
Price Brothers and Co.	172,446,680
Montreal Island Power Co.	172,307,040
Southern Canada Power Co.	160,609,700
Nova Scotia Power Commission	158,560,449
Great Lakes Power Co.	153,531,817
Calgary Power Co.	143,427,388
Ontario and Minnesota Power Co.	101,604,200
Ottawa Electric Co.	86,175,881
East Kootenay Power Co.	70,588,530
Beauharnois Light, Heat and Power Co. (three months)	60,719,000

CAN. MARCONI

No Material Change in Position, According to Flavelle

Attempts to create a speculative market for the stocks of Canadian Marconi Co. were forestalled by the statement of Sir Joseph Flavelle, president, to the effect that no material change had taken place in the company's position to warrant an advance in the price of the shares.

The financial statement for 1932 was not issued until the end of 1933. The long delay was attributed by the president to protracted negotiations with Imperial and International Communications Ltd. in the expectation that these would result in a definite settlement before the end of the year. Such was not the case.

Merger in Prospect

International Communications was formed in London in 1928 to acquire the communications properties of a number of cable and wireless systems. The plans of this company call for the control of all Canadian telegraph companies and of Canadian Marconi.

Capitalization—	Authorized	Outstanding
Common .... (Shares $1 each).	$7,500,000	$4,554,682

Head Office—Montreal.
Officers and Directors—
Officers—Sir Joseph Flavelle, pres. and chm. of the board, Toronto; F. Perry, vice-pres. and deputy chm.; Dr. Milton L. Hersey, vice-pres.; H. M. Short, man. dir.; James Fergus, sec.
Directors—Sir Joseph Flavelle, Toronto; F. Perry, Dr. Milton L. Hersey, Montreal; Albert H. Ginman, London, Eng.; A. E. Dyment, Toronto; Gordon W. MacDougall, H. M. Short, D. E. Galloway, Grant Hall, Montreal.

	1932	1931	1930
Earns. per sh.	nil	nil	$0.00 1-3

No dividends paid.

Market Record (New York Curb)—	1933 H	1933 L	1933 H	1933 L	1931 H	1931 L
Common	3¾	1⅛	2½	½	4½	¾

Serving Nova Scotia

NOVA SCOTIA LIGHT & POWER COMPANY, LIMITED, supplies electricity, transportation and gas to the citizens of the capital city, Halifax. Through subsidiary companies, it is playing a leading part in the electrical development of the Province, and is now operating in nine counties.

Under the management and control of Nova Scotians, with a sound financial structure, this company is contributing in a material way to the development and prosperity of the territory it serves.

Dependable Progressive Service

Benefits resulting from increased earnings and economical operations are being shared by both the company and its customers.

Nova Scotia Light and Power Company, Limited
HALIFAX, N.S.

Electricity Consumption Continues Forward Move

Consumption of electrical energy in Canada during 1933 amounted to the record figure of 16,561,900,000 kw.h., according to returns compiled by the Dominion Bureau of Statistics. This compares with 15,203,600,000 kw.h. in the previous year. The remarkable gain reflected last year was primarily due to the splendid showing made by the central electric station's industry in Quebec and Ontario.

Quebec established a new all-time record for electricity consumption last year. After taking into consideration exports of energy, the apparent consumption totalled 7,377,200,000 kw.h. compared with 6,691,600,000 kw.h. in the previous year.

Ontario Steps Forward

While Ontario's consumption of electricity in 1933, amounting to 5,912,500,000 kw.h. was over 650,000,000 kw.h. in excess of that reported in 1932, no record was established. The gain made in this province, however, was particularly noteworthy. For months on end, Ontario reported declining consumption until last May when the trend was reversed and consistent gains reported.

The other three economic areas managed to hold their own last year, with British Columbia registering a small increase. Consumption in the Maritime Provinces declined only 12,000,000 kw.h., while the loss in the Prairie Provinces was practically the same.

Details of Consumption

Particulars of consumption in the five economic areas for five months of 1933, with comparative figures for 1932, follow:

ELECTRICAL ENERGY CONSUMED IN CANADA
(Millions of Kw.h.)

	Maritimes 1933	Maritimes 1932	Quebec 1933	Quebec 1932	Ontario 1933	Ontario 1932	Prairies 1933	Prairies 1932	B.C. 1933	B.C. 1932
Jan. ...	55.2	60.3	604.9	576.9	451.5	460.6	134.3	150.2	101.6	107.1
Feb. ...	42.4	57.7	549.4	546.3	447.4	442.1	120.3	133.5	92.6	96.5
Mar. ...	48.1	55.2	575.3	584.6	479.3	470.3	123.4	126.3	98.5	100.5
Apr. ...	50.5	62.1	557.8	576.7	450.2	435.5	109.3	111.0	91.0	92.7
May ...	58.4	64.4	588.6	522.6	462.9	433.6	103.2	98.1	92.8	92.6
June ...	63.0	58.1	579.3	492.9	457.8	402.4	92.7	95.4	90.1	85.1
July ...	62.1	47.4	611.3	467.7	462.7	399.1	93.7	93.5	92.1	87.9
Aug. ...	54.2	58.5	653.5	509.9	494.0	412.5	96.4	95.6	96.4	89.0
Sept. ...	56.4	57.3	610.5	527.2	496.9	427.6	103.9	104.1	97.9	90.5
Oct. ...	67.7	61.0	648.0	600.2	538.0	462.5	127.3	120.8	108.4	94.0
Nov. ...	72.2	64.5	704.3	654.6	585.9	468.0	135.4	129.8	111.3	95.0
Dec. ...	63.4	63.9	694.3	632.0	585.9	455.8	143.9	136.6	119.8	102.1
Total ...	693.6	705.4	7,377.2	6,691.6	5,912.5	5,270.0	1,383.8	1,395.8	1,194.8	1,140.8

DOMINION TAR HOLDS INCOME AT 1932 LEVEL

Change in Depreciation Charge Feature of Accounts Last Year

From Our Own Correspondent

MONTREAL.—Expectation that the volume of business in 1933 would be less than in 1932 was realized and the dollar value of the gross turnover of Dominion Tar and Chemical Co. was down about 10 per cent. Taking 1930 at 100 per cent, business last year amounted to 49.4 per cent. The percentage of operating profit upon this reduced turnover was maintained. Economies in administration, operating and selling expenses, contributed in a large measure to enabling the company to show a net operating profit in 1933 on practically the same basis as in 1932.

The feature of the income account for 1933 is the larger amount written off for depreciation, amounting to $424,064, compared with a net operating income of $502,241. In 1932, a year of lean earnings, the amount reserved for depreciation was made to equal the contributions to the sinking fund. Last year the amount reserved for depreciation was a figure arrived at in accordance with the requirements of recent rulings of income tax departments. Consequently, the amount available for debenture interest was $96,177, as against requirements of $337,092. In 1932, the company showed $412,790 available for interest charges of $359,420.

Cut Into Surplus

Further particulars of the income account for the past two years follow:

	1933 $	1932 $
xNet earn.	a520,241	a529,150
Deprec.	424,064	116,360
Balance	96,177	412,790
yDeb. int.	337,992	359,420
Balance	d241,815	53,370
Pfd. divids.	22,960	106,192
Balance	d264,775	d52,822
Taxes	5,475	20,625
Balance	d270,250	d73,447
Pfd. s.f.	3,276	7,835
Balance	d273,526	d81,282
aWritten-off	50,000	......
Surplus	d323,526	d81,282
Prev. bal	912,715	994,000
P. & L. bal.	589,189	912,718

x—Combined operating earnings for year, after deducting operating, management and selling expenses, exclusive of the earnings applicable to minority share interests. y—Including exchange premium. d—Deficit. b—Balance of bond issue expense. a—Including discount on bonds redeemed, $45,188 in 1933 and $24,137 in 1932.

Working Capital Position

	1933 $	1932 $
Curr. assets	2,438,768	2,460,839
Curr. liabs.	482,137	471,783
Balance	1,956,631	1,989,056

Sinking Fund Operative

At the end of last year, Dominion Tar's balance sheet showed assets totalling $12,674,838 compared with $13,211,396 at the end of 1932. The bank overdraft of $351 at the end of 1932 was paid off during the year. The funded debt has been reduced from $5,280,000 to $5,159,000, while minority interest in subsidiary companies has declined from $389,406 to $290,746.

Dominion Tar's issue of outstanding preferred stock remains unchanged at $5,035,000, but Alberta Wood Preserving Co.'s preferred stock outstanding has been reduced from $335,000 to $328,000.

More Cash on Hand

Property account has been written down from $10,714,438, to $10,233,301. A new item in the report is cash value on insurance policies held by the company, shown at $30,663. In the 1932 statement the company did not show cash on hand, while in the 1933 report this item is shown at $251,042.

1934 Prospects Problematical

In his report to shareholders, Lionel O. P. Walsh, president, had the following to say in part:

"In the previous report reference was made to forward sales in the export market and the shipments during the year on this account are reflected in the reduced inventories shown at the end of 1933. These inventories were not replaced as this market is not at the moment a profitable outlet. The reduction in the net working capital of the company is reflected in reduced liabilities, principally to minority interests in subsidiary companies. The amount of the present working capital of the company is proving quite sufficient for our present needs.

"Your company depends to a large extent on the business received from the railroads and in view of the uncertainty of this situation at present the prospects for increased business for 1934 are naturally problematical, but the steady improvement in conditions generally will, it is hoped, if continued throughout the year, have a favorable effect on the company's other activities."

CAN. RAIL & HARBOUR TERM.

Capital Reorganization Pending — Committee Appointed

Canadian Rail & Harbor Terminals Ltd. failed to pay interest due March 1, 1934, on the $3,500,000 of first mortgage bonds outstanding and G. T. Clarkson has been appointed receiver and manager in anticipation of a reorganization of the company. A bondholders' committee consisting of Sir Arthur Meighen, Sir Henry Drayton and R. V. LeSueur is representing the first mortgage bondholders.

The company owns a modern eight-story terminal warehouse with frontage of 2,200 ft. on the Toronto waterfront. The building contains some 1,000,000 sq. ft. of floor space of which 25,000 sq. ft. is devoted to cold storage. Operation was started in 1928 and the company has never earned all fixed charges and depreciation. Better earnings are expected to result from improvement in general business conditions and there was some improvement in the latter part of 1933.

Capitalization	Authorized	Outstanding
Pref. 7% cum... $100 par.	$4,000,000	$224,600
Common .... No par value.	200,000 sh.	200,000 sh.

Common stock all deposited under voting trust agreement running for at least 6 years. Majority of voting trust certificates owned by Canadian Terminals System.

Funded Debt—
1st mortgage S.F. 6½% bonds, due 1951, outstanding $3,500,000. General mortgage S.F. 7% bonds, due 1945, outstanding $2,000,000. (Overdue and accrued interest on these bonds as at Dec. 31, 1933, $431,667.)
30-year 7% debentures, due 1956, outstanding $305,000. (Overdue and accrued interest as at Dec. 31, 1933, $60,491.)

Head Office—Toronto.
Bondholders' Committee—Rt. Hon. Arthur Meighen, chm.; Sir Henry Drayton, R. V. LeSueur, all of Toronto. London & Western Trusts Co., depositary.

Deficit Account, Years Ended Dec. 31:

	1933 $	1932 $	1931 $
Oper. profit.	156,187	221,906	289,942
Less: financial chs. & dep.	483,874	499,110	489,457
Def. for yr.	327,687	277,204	199,515
Add: pr. df.	1,442,142	1,164,938	965,423
Def. forwrd.	1,769,829	1,442,142	1,164,938

Canadian Securities

Dominion and Provincial Government Bonds

Municipal Bonds

Public Utility and Industrial Financing

DOMINION SECURITIES CORPORATION LIMITED

TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.

15 King Street West, Toronto

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Industrial Canada, Toronto, reports the following new industries and plant additions:

Eureka Refrigerator Co., Owen Sound, Ont., which was idle most of last year has reopened after remodelling and introduction of new equipment. Lines formerly manufactured by the Ruddy Manufacturing Co., Brantford, Ontario, are being included with the Eureka lines.

Ideal Power Productions Ltd., Ottawa, is being established to manufacture power and conveyor belting made of fabric with a core of ribbon steel. The company has purchased a factory site and a building will be erected at a cost of $75,000. R. J. Reaney is president of the company. W. M. Dean is secretary-treasurer and G. W. Thexton is general manager.

C. Salabino & Sons, Ltd., a subsidiary of C. Salabino & Sons, Inc., Chelsea, Mass., have leased floor space in Montreal and expect to begin manufacturing a complete line of silk and gut strings for tennis rackets, musical instruments, and surgical use. Tennis strings are the chief product, the brand being known as "Intertwist."

Chicago Rivet & Machine Co. of Canada has established in Chatham, Ont. The company is a subsidiary of the Chicago Rivet & Machine Co. of Chicago. All types of rivets for the automobile and electrical industries will be manufactured.

Canadian Spool Cotton Co., Montreal, are building a small addition to their plant. This will be used as an extension to their bleach works and will not involve any increase in staff.

Canadian Western Woodworkers, of Victoria, B.C., whose plant was destroyed by fire will begin immediately to re-build, it is announced.

Canada Northern Power Corporation, Limited

New Liskeard - - Ontario

Has served the Mining Districts of Northern Ontario and Northern Quebec since their inception.

Its subsidiaries, Northern Ontario Power Company, Limited and Northern Quebec Power Company, Limited are amply equipped through their ten power developments and extensive transmission line systems to continue this great work.

Prompt and reliable service ensured in each of the following mining fields:

Gold Porcupine, Kirkland Lake, Matachewan, Duparquet, Cadillac, Varsan, Dubuisson and Bourlamaque.

Silver Cobalt, South Lorrain and Gowganda.

Copper-Gold Rouyn, Noranda.

NORTHWESTERN POWER

Details of Reorganization Plan Are Expected Shortly

Progress of a sort was made over the past year in straightening away the muddled affairs of the Northwestern Power Co., subsidiary of Winnipeg Electric. It will be recalled that Northwestern was organized by Winnipeg Electric to develop the Seven Sisters power site on the Winnipeg River. The parent company undertook to buy the output and, at the same time, to guarantee interest and principal on the subsidiary company's bonds, which were sold to the public.

In July, 1932, Northwestern Power defaulted on interest payments, while Winnipeg Electric, owing to financial difficulties of its own, was unable to make good its guarantee. The bondholders' protective committee was formed and in the latter part of last year authority was given to the committee to apply for a bankruptcy order against Winnipeg Electric Co.

Meanwhile Winnipeg Electric defaulted on its own bonds, while the bondholders of Manitoba Power Co., another subsidiary of Winnipeg Electric, became worried about their own position and formed a protective committee.

Co-operative Action Planned

As the affairs of the three companies interlock, the protective committees have met and determined upon a plan of co-operative action which would place Winnipeg Electric and its subsidiaries in a sounder position. Numerous meetings have been held, but to date bondholders have not received any report.

Last January the Northwestern Power bondholders met and they were informed that a plan of reorganization would shortly be considered by the various committees covering the securities of the entire Winnipeg Electric system. A further meeting will be held this month when it is hoped that a detailed plan of reorganization will be made available.

NORTHWESTERN POWER
(Controlled by Winnipeg Electric)

Capitalization—	Authorized	Outstanding
Common	250,000 shs.	250,000 shs.
No par value.		
Pref. 6%	$1,000,000	$1,000,000
Par $100.		

The entire issue of preferred and 88 per cent of the common stock is owned by Winnipeg Electric Co.

Funded Debt—
1st mtge. bonds, series A, 6 per cent, due 1960, outstanding $10,000,000. Guaranteed by Winnipeg Electric Co. Interest in default.

Officers and Directors—
Officers—E. Anderson, pres. and gen. mgr.; W. R. Bawlf, vice-pres.; W. E. Blodgett, treas.; L. Palk, sec.
Directors—E. Anderson, W. R Bawlf, W. J. Bulman, J. B. Coyne, N. J. Breen, Winnipeg, Man.; A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, Montreal, Que.; S. L. Fuller, New York.
Bondholders' Committee—J. H. Lithgow (chairman), R. S. Waldie, J. F. Weston, Toronto; H. L. Guy, Waterloo, Ont.; J. S. Aird, Montreal; H. E. Sellers, Winnipeg; William Ferguson, A. H. Gilbert, G. de B. Greene, New York.

MANITOBA POWER

Position in Reorganization Plan is Uncertain at Present

Affairs of Manitoba Power Co. have become involved through association with Winnipeg Electric Co., which in turn has failed to live up to its guarantee of the first mortgage bonds of Northwestern Power Co. In addition the parent company has made a technical default on one of its own bond issues and affairs of the three companies have become involved. A bondholders' protective committee has been set up to look after the interests of Manitoba Power bondholders. Similar action has been taken by the bondholders of Northwestern Power and Winnipeg Electric.

It is anticipated that a reorganization scheme will be carried out by the three companies, though to what extent Manitoba Power will be affected is unknown at present. The company continues to pay its bond interest and is not in default as to the obligation imposed under the terms of the trust deed.

Net Income Lower

During the first 11 months of 1933 Manitoba Power had an income of $1,139,330 and a net operating income of $872,498. This compared with a gross revenue of $1,235,540 and a net income of $939,172 for the same period in 1932.

In the financial statement for 1932, bills receivable from Northwestern Power Co. were shown at $834,600. While Manitoba Power will have a claim against Northwestern for this amount, it is possible that substantial concessions have to be made before the account is cleared off owing to the inability of the borrower to meet its obligations. But this, and other points, will be threshed out by the various protective committees, whose report should be made in the near future.

Capitalization—	Authorized	Outstanding
Common	200,000 shs.	*150,000 shs.
No par value.		

*Winnipeg Electric holds 90.5 per cent of the issue.

Funded Debt—
1st mtge. 5½% bonds, series A, due 1951, outstanding $10,000,000‡; 1st mtge. 5½%, series B, due 1952, outstanding $2,500,000‡.

‡ Guaranteed by Winnipeg Electric Co.

Dividend Record—
Common—None at present. Last paid $1 Aug. 1, 1930.

Head Office—Winnipeg.

Officers and Directors—
Officers—E. Anderson, pres. and gen. mgr.; W. R. Bawlf, vice-pres.; W. E. Blodgett, treas.; L. Palk, sec.
Directors—E. Anderson, W. R. Bawlf, W. J. Bulman, J. B. Coyne, N. J. Breen, Winnipeg; A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, Montreal; S. L. Fuller, New York.

Year End. Dec. 31:

Times All Int. Earn.:	1932	1931	1930
Before deprec.	1.42	1.52	1.67
After deprec.	1.30	1.39	1.54
Earnings per Share and Dividend Record:			
Earned	$1.19	$1.33	$1.97
Paid	nil	nil	1.00

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common	3½	3¼	8	6½	..	..

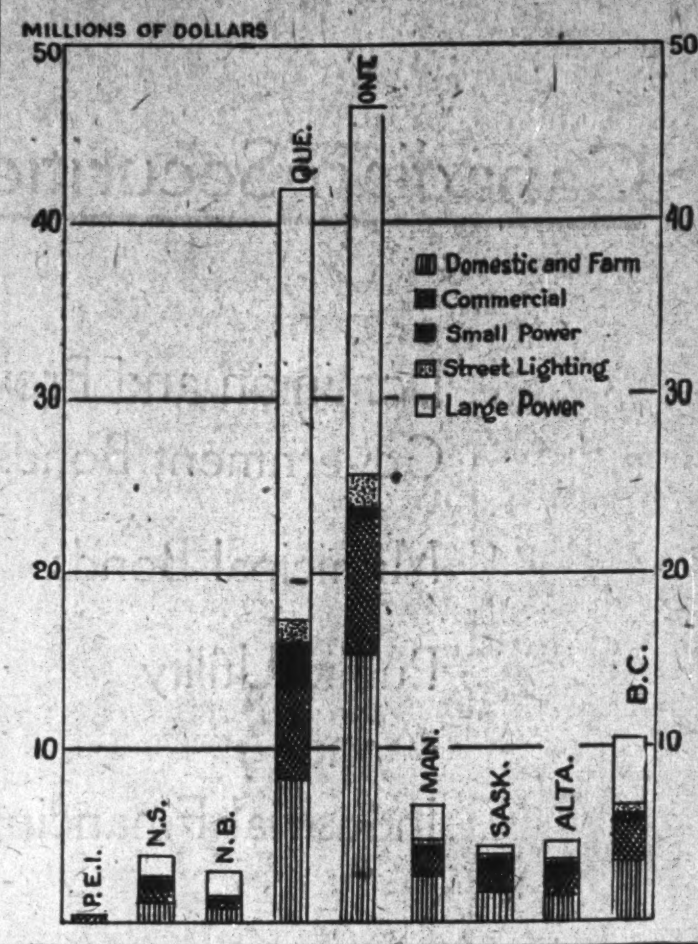
B. C. Power Building Flume

British Columbia Power Corp. has undertaken the construction of 2,200 of new flume at its Barriere River development, replacing the sectional wood stave pipe which has now reached the end of its life.

Use Hydraulic Turbines

According to the census of 1931 more than 95 per cent of the generating plants of central stations consist of hydraulic turbines and these turbines produce more than 98 per cent of the electricity sold in Canada.

Central Electric Station Revenue Sources



WINNIPEG ELECTRIC CO.

Bondholders' Protective Committees Work on Plan of Reorganization for Company and Its Subsidiaries — Will be Ready Shortly

There was no improvement either in earning power or in the corporate position of Winnipeg Electric Co. in the past year. Over-confidence on the part of the management in the last boom period resulted in the too-great expansion of productive facilities and the undertaking of obligations which the company has since found itself unable to fulfill.

Winnipeg Electric's position has undergone a material change in the last five years and the immediate outlook cannot be considered promising. Revenues have declined to a point where the company no more than covered bond interest and depreciation in 1933. In addition obligations undertaken in respect to subsidiary companies are now proving most embarrassing.

Troubles Began in 1926

Troubles of the company are traceable to the formation of the Northwestern Power Co. to develop the Seven Sisters power site. Back in 1926 the management of Winnipeg Electric looked for a shortage of power within a few years. With this thought in mind the company secured the rights to develop the Seven Sisters power site on the Winnipeg River.

Elaborate plans of expansion were drawn up and Northwestern Power floated $10,000,000 of bonds carrying the guarantee of Winnipeg Electric as to principal and interest.

Surplus of Power

In due course the plant was completed, but the anticipated market for the power had disappeared. Instead of a shortage, there was a surplus, even without Northwestern's additional power.

With no market for its power and the parent company unable to meet its guarantee, Northwestern defaulted on its bond interest. A bondholders' committee was formed to investigate the situation.

Default Own Bonds

The next development was Winnipeg Electric's inability to redeem the 5 per cent first mortgage bonds of its subsidiary—Winnipeg, Selkirk and Lake Winnipeg Railway Co. Of the total issue of only $400,000, $50,000 was in the hands of the public and the balance put up as collateral against one of the parent company's issues. This brought about a technical default in the case of Winnipeg Electric's refunding mortgage bonds.

Form Protective Committees

Meanwhile, bondholders of Manitoba Power, another subsidiary, and of Winnipeg Electric, became alarmed at the trend of events and formed protective committees toward the end of last July.

In view of Winnipeg Electric's inability to meet various guarantees on subsidiary bonds, it was to be expected that when the time came to pay interest on its own bonds, such payment would likely be passed. That is what happened.

Manitoba Power Co.'s bonds are not in default. Interest payments have been met regularly. But the situation in respect to the parent company and Northwestern Power, made it advisable for the bondholders to form a protective committee to watch their interests.

Reorganization in View

It is apparent that the rehabilitation of Winnipeg Electric and its subsidiaries will be carried out on the basis of one unit rather than as a number of separate units. The future of these companies interlocks and the merging of all properties into one may possibly be a logical move.

There is considerable speculation as to how the individual securities will fare in the reorganization plan. The guarantee of Winnipeg Electric has proved to be "a scrap of paper." Those who bought the subsidiary bonds on the strength of Winnipeg Electric's guarantee may not be satisfied with a compromise plan. In that event the reorganization of Winnipeg Electric and its subsidiaries may be a long-drawn-out affair.

Capitalization—	Authorized	Outstanding
Pref. 7%	$5,000,000	$5,000,000
Pref. 6%	$5,000,000	None
Par $100.		
Common	500,000 shs.	344,772 shs.
No par value.		

Funded Debt—
Winnipeg Electric 5 per cent refund. mtge. stock or bonds, due 1954, outstanding $4,380,000; 6 per cent refund. bonds, due 1954, $7,000,000. Interest on both issues due Oct. 2, 1933, not paid.
Winnipeg Electric Rly. 5 per cent 1st refund. mtge. bonds, due 1935, outstanding $5,000,000.

Dividend Record—
Preferred—$7 per annum, cumulative, payable Jan., April, July and Oct. 1. Paid regularly to and including Oct. 1, 1931, since passed.
Common—None at present. Former rate was $2 per annum, payable half-yearly, Feb. and Aug. 1. Dividend due Feb. 1, 1931, was passed and none paid since.

Head Office—Winnipeg, Man.

Officers and Directors—
Officers—E. Anderson, pres. and gen. mgr.; W. R. Bawlf, vice-pres.; W. E. Blodgett, vice-pres. i/c finance and accounts; C. H. Dahl, vice-pres. i/c operation; L. Palk, vice-pres. i/c executive matters and sec.; J. S. Mackenzie, treas.
Directors—E. Anderson, W. R. Bawlf, J. B. Coyne, W. J. Bulman, N. J. Breen, A. J. Thomas, W. H. Carter, Winnipeg; P. A. Thomson, A. J. Nesbitt, J. B. Woodyatt, Montreal; S. L. Fuller, New York; J. A. McPhail, Sault Ste. Marie, Ont.
Bondholders' Committee — C. S. Macdonald (chairman), J. H. Black, C. C. Calvin, D. H. McDougall, Toronto; M. A. Thomson, Montreal; Hon. T. A. Crerar, Winnipeg; D. P. Abercrombie, James B. Cullum Jr., George N. Emory, New York. M. G. Angus, sec.

Times All Interest* Earned:

	1932	1931	1930
Before deprec.	2.06	2.27	2.56
After deprec.†	1.52	1.71	2.01

† Including additional depreciation.
* And premium on bond interest in 1932.

Earns. per Share and Div. Record:

	1932	1931	1930
Preferred:			
Earned ..	$3.53	$5.26	$11.46
Paid	nil	5.25	7.00
Common:			
Earned* .	nil	nil	0.92
Paid ...	nil	nil	1.00

* Before allowing for sinking fund reserve which the company treats as an appropriation after preferred and common dividends.

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Com.	5½	1	8	2	21½	4
Pref.	10¾	3¼	20	6	81½	49

SUBURBAN RAPID TRANSIT
(Entirely owned by Winnipeg Electric)

Capitalization—	Authorized	Outstanding
Common	$100,000	$100,000
Par $100.		

All owned by Winnipeg Electric.

Funded Debt—
1st mtge. bonds, 5 per cent, due 1938, issued $500,000. Guaranteed by Winnipeg Electric.

Officers and Directors—
Officers—E. Anderson, pres. and gen. mgr.; W. R. Bawlf, vice-pres.; W. E. Blodgett comp.; L. Palk, sec.; J. S. Mackenzie, treas.
Directors—E. Anderson, W. R Bawlf, W. H. Carter, N. J. Breen, J. B. Coyne, Winnipeg; J. B. Woodyatt, Montreal.

WINNIPEG, SELKIRK & LAKE WPG.
(Entirely owned by Winnipeg Electric)

Capitalization—	Authorized	Outstanding
Common	$490,000	$490,000
Par $100.		
Preferred	10,000	10,000
Par $10.		

Practically all of the $490,000 common is owned by Winnipeg Electric Co.

Funded Debt—
1st mtge. bonds, 5 per cent, due 1933, outstanding $50,000. Guaranteed by Winnipeg Electric Co. Not paid at maturity July 2, 1933.

Officers and Directors—
Officers—E. Anderson, pres.; W. R. Bawlf, vice-pres.; W. E. Blodgett treas.; L. Palk, sec.; J. S. Mackenzie, treas.
Directors—E. Anderson, W. R Bawlf, N. J. Breen, W. J. Bulman, J. B. Coyne, Winnipeg; J. B. Woodyatt, Montreal.

CAN. PUBLIC SERVICE

Holds Monopoly in Okanagan Valley, B.C., Serves Fruit Growers

Canadian Public Service Corp. controls a group of public utilities in the Okanagan Valley of British Columbia. The principal company is the West Canadian Hydro-Electric Corp. This subsidiary owns a hydro-electric power plant at Shuswap Falls, B.C., which generates 4,000 h.p. Ultimate capacity of the site is 28,000 h.p. In addition, Canadian Public Service Corp. controls four telephone companies, which serve and link municipalities in the Okanagan Valley, and Inland Ice & Cold Storage Co.

Originally controlled by United States capital, control of the holding company now rests in Canada and its securities have been issued in exchange for securities of the subsidiary companies. Gross revenues of the power company have increased in each of the past four fiscal years. The operations of the telephone companies and the cold storage plant have not been as successful.

Capital Stock—

	Authorized	Outstanding
Pf. 6½% cum.	$5,000,000	
Orig. series		$900,900
Series A ..		203,200
Par value $100.		
Common	100,000 shs.	100,000 shs.
No par value.		

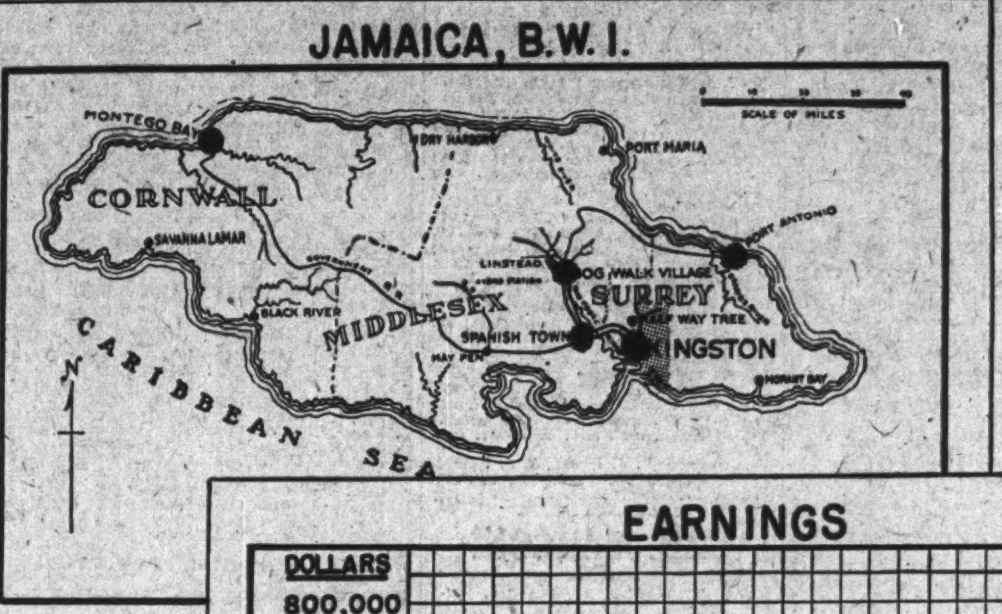
Funded Debt (Consolidated)—
Canadian Public Service Corp., 5½% deb. note, due 1935, outstanding $200,000.
Canadian Western Telephone Co., 5½% first lien s.f. bonds, due 1956, outstanding $553,500; 6% deb., due 1953, outstanding $125,000.
West Canadian Hydro-Electric Corp., 6% first mortgage bonds, due 1950, outstanding $1,000,000; 6½% convertible deb., due 1945, outstanding $217,500.
Inland Ice & Cold Storage Co., 6% first mortgage s.f. bonds, due 1941, outstanding $76,500.

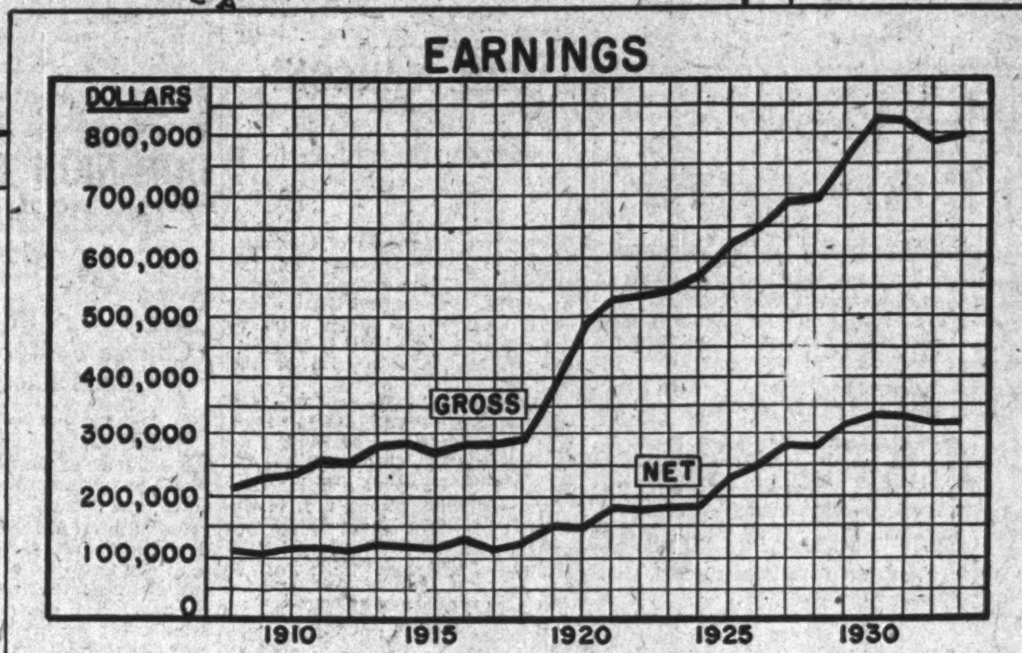
Dividends—Preferred: 6½% per annum, cumulative, payable Jan., April, July and Oct. 1; paid regularly. Common: none paid.

Executive Office—Vancouver, B.C.

Directors—Stanley Burke, chairman; L. P. Smith, pres.; R. H. Tupper.

STABILITY





The Stability and Growth of This Utility's Business and Net Earnings May Be Seen in the Following Table:

Year	Gross Earnings	Net Earnings	Year	Gross Earnings	Net Earnings
1910 - - -	$240,066	$122,637	1930 - - -	$833,853	$339,300
1915 - - -	274,317	123,540	1931 - - -	829,598	336,273
1920 - - -	490,180	151,288	1932 - - -	790,917	325,668
1925 - - -	625,275	236,114	1933 - - -	802,259	327,108

The above figures converted from £ Sterling at the rate of $4.86 2/3 to the £1.

CONSOLIDATED CAPITALIZATION

OUTSTANDING IN THE HANDS OF THE PUBLIC DEC. 31, 1933

BONDS:
JAMAICA PUBLIC SERVICE CO., LTD. — FIRST MORTGAGE 5'S ... $ 1,940,000

PREFERENCE SHARES:
JAMAICA PUBLIC SERVICE CO., LTD.
PREFERENCE 7% CUMULATIVE .... $ 534,500
PREFERENCE "B" 7% CUMULATIVE .... $ 314,629

CAPITAL STOCK:
JAMAICA PUBLIC SERVICE LTD. NO PAR VALUE 45,000 SHARES

Jamaica Public Service Limited, a Canadian company, owns all of the Ordinary and $215,500 par value of the Preference shares of Jamaica Public Service Company, Limited, a public utility organized and operating in the Island of Jamaica, British West Indies, which does the entire electric lighting and power business for an estimated population of 115,000 within the territorial limits of the Corporation of Kingston and St. Andrew and the Parish of St. Catherine. It also operates the electric tramway system in Kingston and St. Andrew.

Kingston is a growing seaport on the south side of the Island. It is the social and commercial centre of the colony, the seat of the Government, and the Military forces are stationed there.

In addition, St. James Utilities Limited, a wholly owned subsidiary, does the entire electric lighting and power and ice business in Montego Bay and Port Antonio, serving a population of approximately 15,000.

Montego Bay is a port on the Northwest Coast of the Island, 112 miles from Kingston, and Port Antonio is a port on the Northeast Coast, 60 miles from Kingston. These communities rank next to Kingston in size and importance, the former being a popular winter resort for tourists.

During 1933 the funded debt of the Jamaica Public Service Company, Limited, was reduced by $30,000, and is now represented by $1,940,000 of 5% First Mortgage Bonds due in 1950. Through local sales on the Island the Preference "B" 7% Cumulative shares were increased by $64,629. Regular dividends on both classes of the Operating Company's 7% Preference shares were paid during the year, and dividends at the rate of $1.00 per share were continued on the Capital Stock of the Canadian Company.

JAMAICA PUBLIC SERVICE LIMITED

AND SUBSIDIARY COMPANIES

— SERVING —

KINGSTON MONTEGO BAY PORT ANTONIO

New Studebaker Executive Has World-wide Experience

C. S. Fletcher, who was recently appointed sales manager of the Studebaker Corp. of Canada and the Pierce-Arrow Co. of Canada, brings to his new position a world-wide knowledge of the automobile industry.

Mr. Fletcher has been with the Studebaker organization for the past 13 years and during that time has represented the concern in five of the six continents of the world. He represented the Studebaker Co. in the West Indies and the Far East for several years and later was managing-director of Studebaker of Australia. His latest position was connected with Studebaker, Pierce-Arrow and White in South Africa.

Dominion Coal Co. Hoist Larger Last Month

From Our Own Correspondent

MONTREAL.—Dominion Coal Co., subsidiary of Dominion Steel and Coal Corp., reports an output of coal during February last, of 181,068 tons. This compares with 132,606 tons for the same month last year, an increase of 48,462 tons. Expectations are that coal hoisted this month will exceed 200,000 tons.

NATIONAL LIGHT

Output and Earnings Show Improvement in February

National Light & Power Co. experienced some decline in demand for power during 1933 and a larger drop in gross earnings, but preliminary reports of February and January operations indicate improvement in sales and earnings when comparison is made with the corresponding months of 1933. The company has recently signed an important contract with an oil company and February output is some 10 per cent in excess of that in February, 1933. In January gross earnings showed the first gain in the past year.

The company supplies the City of Moose Jaw, Sask., with power and light under an exclusive 20-year franchise and also sells electricity at wholesale to the Saskatchewan Power Commission and the Montreal Engineering Co. for distribution in surrounding territory. The plant was formerly owned by the city and was acquired by Iowa Southern Utilities Co. in 1930. Canadian investment interest is restricted to the $2,000,000 of 6 per cent first mortgage bonds. In the first 11 months of 1933 the company earned its first mortgage interest charges 1.78 times, after provision for depreciation. In 1931, interest charges were earned 2.03 times after depreciation.

Rates Reduced

Lower earnings in 1933 are the result of some decrease in demand but also to the full effect of rate reductions amounting to some 15 per cent, which were introduced in 1931 and 1932. Among the large industrial users of power supplied by the company are the Canadian Pacific Railway shops, Dominion Government Internal storage elevator, Robin Hood Mills Ltd. and Swift Canadian Co.

The company acquired a steam electric power plant of 10,500 kw. rated capacity from the city in 1930 and in 1931 installed a new 10,000 kw. generating unit. Improvements and extensions to plant since the company took over have involved expenditure of some $440,000.

Capitalization—	Authorized	Outstanding
Common	100,000 sh	100,000 sh.
No par value.		
Pref. 7%, cum. .	$10,000,000	$1,100,000
Par $100.		

Funded Debt—
1st mtge. sinking fund bonds, series A, due 1949, outstanding $2,000,000.
6% 10-year notes, $200,000.

Dividend Record—
Preferred: None since Nov. 1, 1931.
Common: None paid to date.

Head Office—Moose Jaw, Sask.

Officers and Directors—
Officers—G. M. Bechtel, pres.; E. F. Bulmahn, H. F. Berry, J. Ross Lee, vice-presidents; H. R. Bechtel, sec.; E. F. Bulmahn, treas.
Directors—G. M. Bechtel, J. R. Lee, H. R. Bechtel, Davenport, Iowa; E. F. Bulmahn, Centreville, Iowa; H. F. Berry, Moose Jaw, Sask.; D. L. McLeod, H. Borden, Toronto.

Years Ended December 31—	1932	1931
Times 1st Mtge. Bond Int. Earned:		
Before deprec. reserve	2.05	2.26
After deprec. reserve	1.84	2.03
Earnings per Share and Dividend Record:		
Preferred: Earned	$3.07	$7.34
Paid	...	...
Common: Earned	*nil	0.17
None paid.		

* After allowance for preferred dividends.

HYDRO-ELECTRIC

Better Returns Are Expected in Financial Report for 1933

Expectations are that the position of Hydro-Electric Securities Corp. underwent some improvement during 1933. The financial statement for last year has not been made public as yet, but the experience of similar organizations over the last twelve months has been on a more favorable basis, leading to the assumption that Hydro-Electric Securities will be able to record some improvement.

At the end of 1932 the company's investments showed a market value of $15,005,830 compared with $26,822,636 at the close of the previous year. Book value of investments totalled $53,061,764. Against this, $26,808,895 was appropriated from common stock account 1931, leaving a net total of $26,252,869.

No dividends have been paid on the common shares since March, 1932.

Capitalization—	Authorized	Outstanding
Common	2,000,000 sh.	1,476,393 sh.
No par value.		
Class A pfd. 5 per cent	30,000,000	nil
Par $100.		
Class B pfd. 5 per cent	10,062,000	9,851,400
Par $10.		

Dividend Record—
Class B Preferred—5% per annum, cumulative, payable half-yearly, Feb. and Aug. 1. Extra dividend of 7¼c. paid Dec. 31, 1930.
Common—None at present. Last paid 10c. Mar., 1932.

Head Office—Montreal.

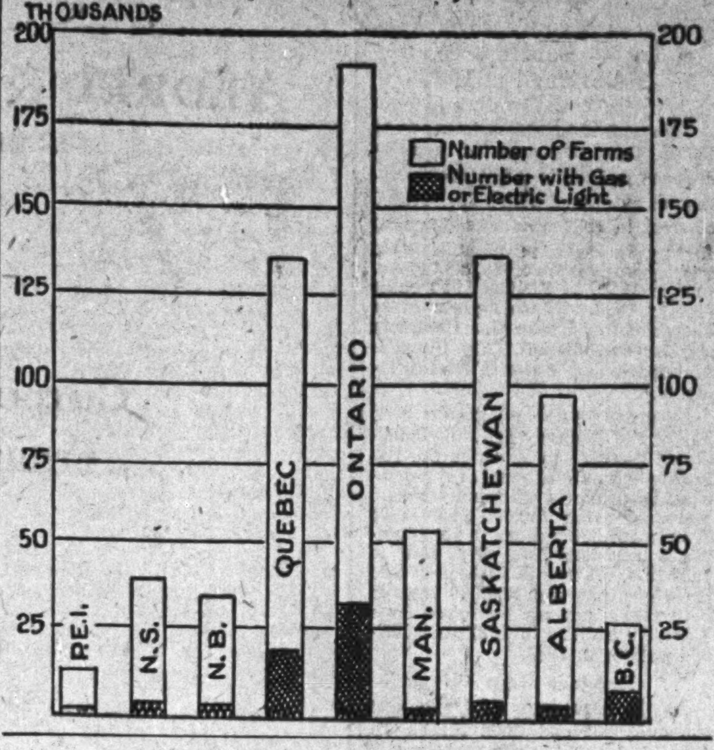
Earnings per Share and Dividend Record—	1932	1931	1930
Class B pref.:			
Earned†	$0.96	*$1.48	$2.10
Earned‡	0.96	1.48	3.71
Paid	0.50	0.50	50c+■7¼c
Common:			
Earned†	0.30	1.33	♦2.07
Earned‡	0.30	1.33	♦4.25
Paid	0.10	1.00	2.00

† Based on ordinary income.
‡ Based on ordinary and extraordinary income.
■ Supplementary dividend under participation of profits of $0.07249667.
♦ After allowing for supplementary dividend on class B preferred.
* Based on 2,000,000 shares. On the basis of the number of shares outstanding after capital reduction earnings would be $2.95 per share.

Market Record—	1933	1932	1931
Common: High	10	11¼	29⅞
Low	5½	4¾	8

Officers—F. B. Common, pres.; C. L. Fisher, vice-pres.; A. H. Lang, sec.
Directors—G. H. Montgomery, F. B. Common, Hon. G. W. Scott, Montreal; C. L. Fisher, Major A. Pam, London, Eng.; Charles Fabri, Count Eugene de Hemricourt de Grunne, Count R. Van der Straten-Ponthoz, Jean Washer, Brussels; P. N. Gray, New York.

Gas and Electric Light on Canadian Farms (Census of 1931)



CALGARY POWER CO.

Western Utilities' Distribution System Covers Wide Area — Income from Ottawa Valley Power Important

Calgary Power Co. is understood to have maintained its position in 1933 and the financial statement will likely show net income on a basis comparing favorably with that reported in 1932 when the company earned $7.77 a share on the common stock as against dividend requirements of $6.

The manner in which the income account for last year will shape up against the 1932 returns will depend largely upon income received from the company's investment in the Ottawa Valley Power Co., which property was acquired in 1931 through purchase of shares and other securities. In 1932 income from this source amounted to $119,231. Without this revenue the company would not have been able to show the full dividend earned on the common stock.

Build Up System

Ability to hold earnings at a relatively satisfactory level reflects expansion carried out in recent years. Following completion of its hydro-electric development at the Ghost-Radnor site, the company's transmission lines were widely extended and a line to Edmonton of 180 miles length was tapped at various points, allowing power to be served to rural centres. In Alberta the company has about 1,900 miles of transmission and distribution lines in operation, indicating the extent to which the company has built up a network of power lines to serve both urban and rural communities.

In addition Calgary Power operates in Saskatchewan through a subsidiary, known as the Prairie Power Co. The latter owns some 500 miles of line in the southern part of Saskatchewan and serves about 55 communities. It was formed to take over a system formerly operated by the Montreal Engineering Co.; power is purchased from National Light and Power Co. at Moose Jaw and from the municipal plant at Weyburn.

Borrow From Banks

As already mentioned in 1931 Calgary Power extended its field of operations by securing control of the Ottawa Valley Power Co., which operates in conjunction with the Ontario Hydro a large power plant at Chats Falls on the Ottawa River. In order to secure control of this property the company secured large advances from the banks. In the report to shareholders covering operations in 1932, the president pointed out that permanent financing of these advances should be arranged when market conditions warranted. At the end of 1932 the bank loan totalled $1,937,000. The company has available for retirement of this loan, $2,600,000 of first mortgage bonds, now pledged as collateral, and which can be sold on the open market. Owing to the presence of this loan among the current liabilities, the company's working capital position is unfavorable, current liabilities exceeding current assets at the end of 1932 by over $2,000,000. This situation, of course, can be corrected with the sale of the bonds.

Capitalization—	Authorized	Outstanding
Common	$5,000,000	$3,500,000
Preferred	7,500,000	6,000,000
Par $100.		

Funded Debt—
1st mtge. S. F. bonds 5 per cent, due 1960, outstanding $10,000,000.
$2,600,000 additional hypothecated against bank loan.

Dividend Record—
Preferred—$6 per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1.
Common—$6 per annum, payable quarterly, Jan., April, July and Oct. 1.

Head Office—St. James St., Montreal.

Officers and Directors—
Officers—I. W. Killam, chm. of board; G. A. Gaherty, pres.; R. B. Baxter, vice-pres. and man. dir.; F. C. Clarke, treas.; L. G. Proctor, sec.
Directors—I. W. Killam, G. A. Gaherty, F. C. Clarke, S. B. Hammond, H. J. Symington, Denis Stairs, R. B. Baxter, Montreal; H. H. Parlee, Edmonton.

Times All Interest Earned:	1932	1931	1930
Before deprec.	2.48	2.41	3.28
After deprec.	2.17	2.11	2.82
Earnings per Share and Dividend Record:			
Preferred: Earned	$10.53	$9.43	$11.41
Paid	6.00	6.00	6.00
Common: Earned..	7.77	6.12	9.34
Paid	6.00	6.00	6.00

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common ...	..	..	125	120	146	137

OTTAWA VALLEY POWER

Operations at Capacity to Meet Deliveries Under Contract

Ottawa Valley Power Co., control of which is held by Calgary Power Co., has maintained operations at capacity in order to meet the requirements of its contract with the Ontario Hydro, which calls for delivery of 96,000 h.p.

Construction of the company's plant at Chats Falls on the Ottawa River, embodied a joint development of the power site with Ontario Hydro. Combined property comprises eight units of 28,000 h.p. each, of which four units were installed by Ottawa Valley Power and the balance by Ontario Hydro.

Public investment interest in the enterprise is confined to an issue of $9,000,000 of first mortgage bonds. At the time of financing, earnings, based on existing contracts, were estimated at $1,017,000 a year before depreciation and taxes. That income, it was pointed out, did not include any revenue from sale of surplus power.

No Financial Statement

Despite the fact that the company's securities are widely held by the public, the controlling interests have not seen fit to make public details of earnings. Interest payments have been met regularly, and in 1932 a dividend of $5 a share was paid on the common stock. It is not known whether or not further dividends were paid in 1933.

Capitalization—	Authorized	Outstanding
Common	50,000 shs.	50,000 shs.
No par value.		

Funded Debt—
1st mtge. 5½ per cent S. F. bonds, due 1970, outstanding $9,000,000.
6 per cent, 40-yr. debentures*, $1,500,000.
*Not publicly offered.

Head Office—Montreal.

Officers and Directors—
Officers—C. W. Allen, pres.; G. A. Gaherty, vice-pres.; A. C. Mackinnon, sec.; Fred C. Clarke, treas.; L. G. Proctor, asst. sec.
Directors—C. W. Allen, H. J. Symington, F. C. Clarke, A. G. Munich, G. A. Gaherty, R. B. Baxter, A. G. Mackinnon, all of Montreal.

St. Hyacinthe Building Plant

The city of St. Hyacinthe, P.Q., has decided to build a 2,400 h.p. municipal electric plant operated by diesel power; this is to be used afterwards as a reserve to hydro-electric power purchasable by the city.

JAMAICA PUBLIC SERVICE

Income Well Maintained Last Year — Dividend Covered

Jamaica Public Service's earnings, after all senior charges, amounted to $213,493 for the past year. This is practically the same as reported in the previous year. Gross income was slightly larger, but this was offset by a minor increase in operating and prior expenses. It is expected that the financial statement will show earnings on the capital stock somewhat better than $1.50 a share compared with dividend requirements of $1. These figures are based on the £ Sterling at par of exchange.

Consolidated balance sheet for the past year will reflect the operation of the sinking fund on the operating company's funded debt, and an increase in the issued Class B preferred stock. Interim statements issued by the company show that the operating subsidiary has reduced its funded debt from $2,000,000 to $1,970,000.

Sell Stock to Customers

At the same time the amount of 7 per cent preference B stock outstanding has been increased from $250,000 to $298,082. This stock has been used by the company for customer ownership purposes. At the end of 1932 the company had issued the full authorized amount. In order to take care of the additional sales, the authorized amount was increased in pound sterling to the equivalent of $250,000.

Jamaica Public Service Ltd., is a holding company controlling through stock ownership Jamaica Public Service Co. The operating company supplies utility services in Kingston and other parts of Jamaica. Extent and prices of the banana crop play an important part in the company's affairs, since crop variations have repercussions on the company's business. Jamaica Public Service also has built up a substantial outlet for power sales in irrigation work in the farming areas.

Capitalization—	Authorized	Outstanding
Common	60,000 sh.	45,000 sh.
No par value.		

Dividend Record—
Common—$1.00 per share per annum payable Jan., April, July and Oct. 1. Initial dividend of 25 cents per share paid Oct. 1, 1930 and regularly since.

Head Office—Kingston, Jamaica.

Officers and Directors—
Officers—Russell D. Bell, pres.; Abner Kingman, C. F. W. Wetterer, vice-pres.; V. D. Vickery, sec.; J. T. G. Nichols, treas.; A. S. Nichols, vice-pres. and mgr. of oper. subsidiaries.
Directors — Russell D. Bell, D. J. O'Donahoe, Julian C. Smith, Abner Kingman, Montreal; Sir W. E. Stavert, London.

Times Interest and Amortization Earned—	1932	1931	1930
Before retire. res.	2.91	3.01	3.48
After retire. res. .	2.11	2.22	2.60
Earnings per Share and Dividend Record—			
Common: Earn. .	$1.51	$1.81	$2.01
Paid	1.00	1.00	0.50

Earnings— Twelve Months Ended December 31:	1933 $	1932 $	Increase $
Gross earn.	802,259	790,917	11,342
Net earn. .	327,108	325,668	1,440
Surplus after charges .	213,493	213,930	*437

* Decrease.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common ...	..	..	..	..	40	40

JAMAICA PUBLIC SERVICE CO.
(Controlled by Jamaica Public Service Ltd.)

Capitalization—	Authorized	Outstanding
Ordinary	$1,000,000	*$750,000
Par $5.		
Pref. 7% cum.† ..	750,000	750,000
Par $100.		
Pref. B cum.‡ ...	500,000	298,083
Par £1.		

* Entirely owned by parent company.
† 2,000 shares owned by parent company.
‡ Divided into 51,369 shares of £1 par value and one share of par value 17s. 3½d.

Funded Debt—
1st mtge. bonds, series B, 5 per cent, due 1950, outstanding $1,970,000, of which $30,000 has been reacquired and is held in the treasury for sinking fund requirements.

Dividend Record—
Preference — 7 per cent per annum, cumulative, payable quarterly in Canadian funds, Jan., April, July and Oct. 1. Paid regularly.
Preference B—7 per cent per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Paid regularly.
Ordinary—Special dividend of 25 cents per share paid Oct. 1, 1928, and 75 cents per share April 1, 1929.

Officers and Directors
Officers—Russell D. Bell, pres.; Abner Kingman, C. F. W. Wetterer, vice-pres.; V. D. Vickery, sec.; J. T. G. Nichols, treas.; A. S. Nichols, vice-pres. and mgr., Kingston, Jamaica.
Directors—Russell D. Bell, Abner Kingman, D. J. O'Donahoe, Julian C. Smith, Montreal; Sir W. E. Stavert, London.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Preferred ..	98	70	86	79	109	99¾

Many Facts Included In Montreal Trade Book

The statistical issue of the review of the activities of the Montreal Board of Trade, recently issued, provides a complete statistical record of the pertinent facts about Montreal for 1933. Latest statistics are provided for such items as population, street mileage, real estate values, building permits, customs duties collected, bank clearings, exports, etc.

An interesting survey included in the review shows the distance from Liverpool of Montreal in comparison with other large Atlantic ports. Although Canada has three other ports nearer to Europe than Montreal, the latter is shown to be closer than any other large port on the North American continent. Comparison shows Montreal as 2,760 miles from Liverpool as compared with 2,893 for Boston and 3,073 for New York with other ports further south in the United States increasing to close to 5,500 miles.

UNITED SECURITIES

Cut in Tramway Dividends Has Effect on Gross Income

United Securities' income account for 1933 is expected to show a reduction in revenue owing to lower dividends paid by Montreal Tramways Co.

Through control of Montreal Tramways Co. and Canadian Light and Power Co., United Securities is one of the major holding companies in the Canadian utility field. Its revenue is practically all received from stock holdings in these two companies.

In 1932 United Securities received a revenue of $486,121, of which $373,776 came from its holdings in Montreal Tramways. The latter was equivalent to $9.75 a share on its holdings. For the past year Tramways paid a smaller dividend, a fact which will be reflected in the income account of United Securities. Canadian Light and Power, on the other hand, has continued to pay its regular dividend of $2 a share.

Control of United Securities rests with Shawinigan and Montreal Power. There is a small but inactive public interest in the common stock.

Capitalization—	Authorized	Outstanding
Common	$14,000,000	$5,126,173
Par $100.		

Funded Debt—
Collateral trust gold bonds, series A, 5½ per cent, due 1952, $3,373,500.
Series B, 5½ per cent, due 1952, $1,513,500.

Dividend Record—
Common—$2 per annum, payable quarterly, Jan., Apr., July and Oct. 15. Initial dividend of $2 paid Apr. 10, 1931.

Head Office—Montreal.

Officers and Directors—
Officers — J. C. Smith, pres.; J. S. Norris, vice-pres.; J. Wilson, sec.-treas.; H. G. Budden, asst. treas.
Directors — J. C. Smith, J. S. Norris, H. B. Murray, G. H. Montgomery, G. W. MacDougall, C. S. Bagg, S. Godin, Jr., W. S. Hart, Montreal.

Years End. Mar. 31:	1933	1932	1931
Times Bond Int. Earn.	1.60	1.70	1.77
Earnings per Share and Dividend Record:			
Common: Earned ..	$3.16	$3.76	$4.21
Paid	2.00	2.00	2.00

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common	30	19½	24⅝	18	62⅛	40

Montreal Storage

Montreal Refrigerating & Storage Ltd., operates a 10-story general and cold storage warehouse in Montreal with a floor space of 565,000 sq. ft. The company acquired its property from Montreal Rail & Water Terminals Ltd. which was liquidated under the Winding Up Act. The present company has no connection with Canadian Terminal System Ltd.

Capitalization—	Authorized	Outstanding
Common	50,000 shs.	25,329 shs.
Preferred	25,000 shs.	18,863 shs.
No par value.		

Common stock deposited under voting trust agreement; voting trustees, R. C. McMichael, F. B. Common, J. W. Burden.

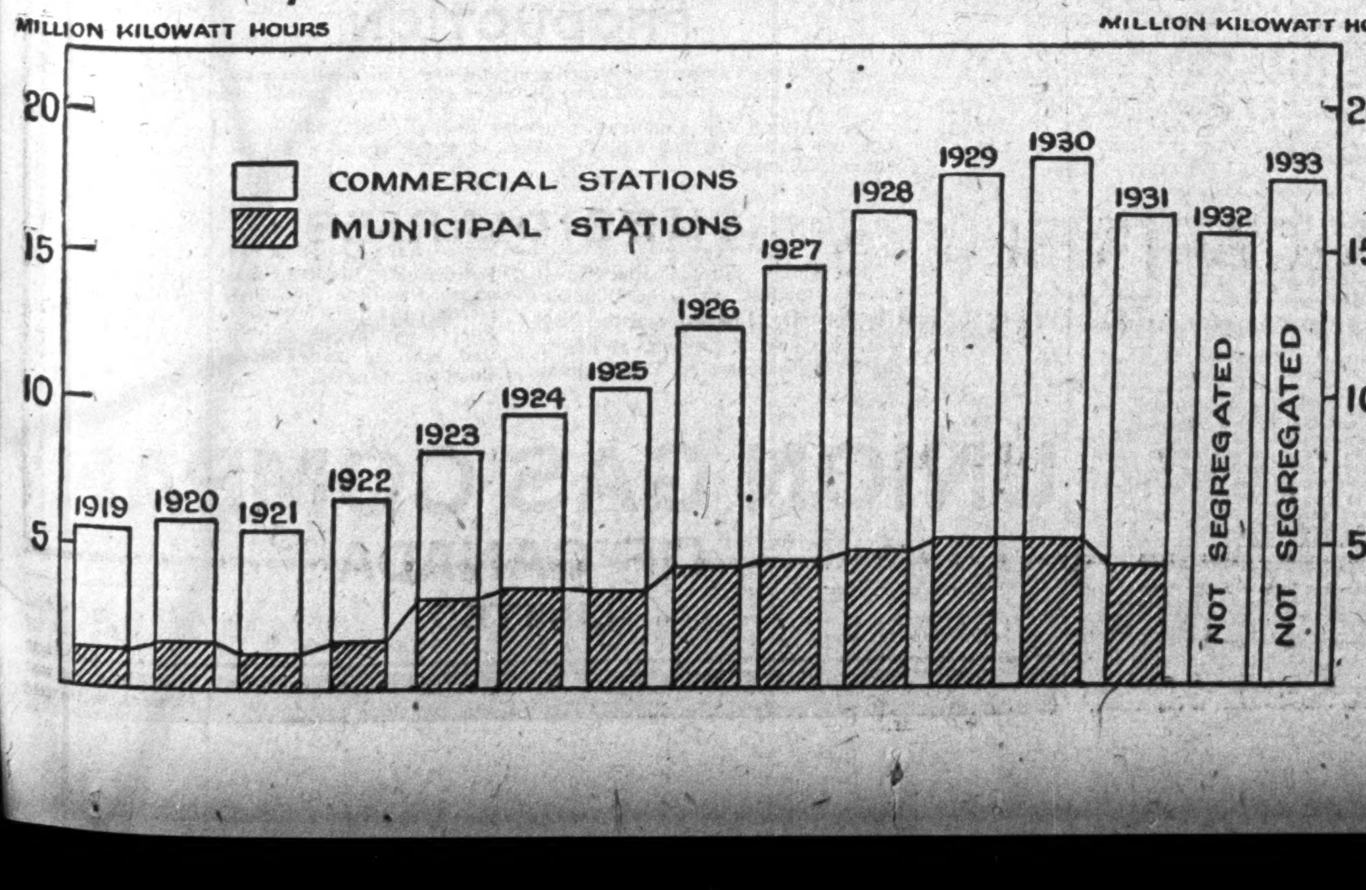
Funded Debt—
First mortgage S. F. 6% bonds, due 1947, outstanding $200,000.

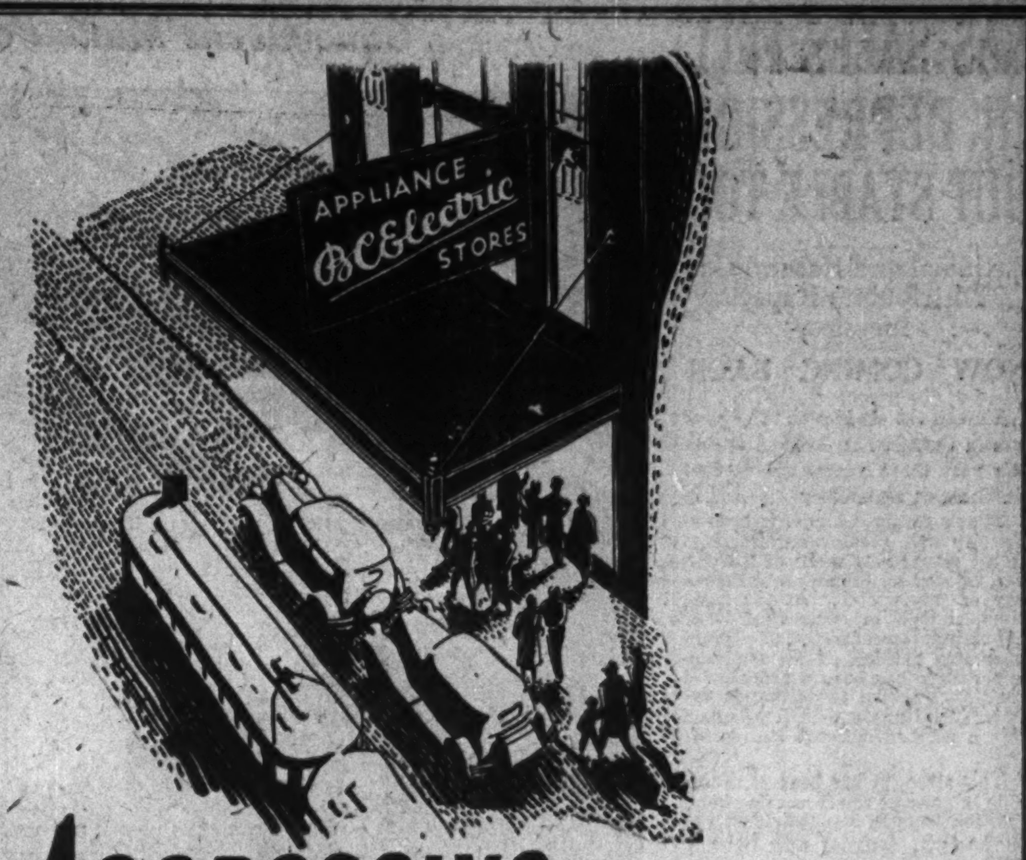
Dividend Record—
Preferred: Entitled to $3 per annum, cumulative from June 1, 1935. Prior to June 1, 1936 no dividends may be paid on common unless current and three preceding quarterly dividends on preferred have been provided for; after Mar. 1, 1936, subject to provision for preferred stock sinking fund of 10% of net earnings available for common dividends.

Head Office—Montreal.

Officers and Directors—
Officers—W. G. Lasher, pres. and gen. mgr.; G. L. Laffoley, vice-pres.; F. Webber, asst. gen. mgr.; W. A. Schofield, sec. and treas.
Directors—F. B. Common, T. R. Enderby, Grant Hall, G. L. Laffoley, W. G. Lasher, Hon. Donat Raymond, Sir Wm. Stavert, all of Montreal; J. W. Burden, W. J. K. Vanston, New York.

Output of Central Electric Stations 1919—1933





AGGRESSIVE LOAD BUILDING

By means of energetic promotion work, B. C. Electric is constantly enlarging its field of service.

Eleven retail stores sell load-building appliances to the public under a policy that assures fair play to retailers. An industrial department seeks new industries. A gas heating department successfully sells its product in competition with other fuels. The company operates its own coke selling organization. A farm service department brings power to the rural customers. The B. C. Electric home service department advises householders on their electric or gas service. The Electric Service league, largely maintained by the B.C. Electric promotes better wiring and lighting.

Correspondence with prospective new industries is invited.

W. G. MURRIN, President - VANCOUVER, B.C.

BRITISH COLUMBIA ELECTRIC RAILWAY CO. LIMITED
BRITISH COLUMBIA POWER CORPORATION

A MAJOR CONTRIBUTOR TO CANADA'S HYDRO POWER DEVELOPMENT

POWER CORPORATION OF CANADA LIMITED is playing an important rôle in the up-building of the Dominion, devoting its resources and energies to the development of one of Canada's greatest natural assets—water power. The Corporation's activities embrace engineering, construction, management and financing of power developments. Its achievements include the design and construction of a number of important power plants and the placing of numerous industries in areas best suited for their economic and profitable operation.

The Companies controlled by or affiliated with Power Corporation are making a notable contribution in the placing of Canada's hydro-electric resources at the service of industry. Southern Canada Power, supplying the highly industrialized Eastern Townships territory in the Province of Quebec, has been directly responsible for the establishment of over **70 new industries** and the building up of many prosperous communities. Canada Northern Power Corporation has made possible the remarkable expansion of the gold-mining industry in Northern Ontario and Quebec. **Over 80% of Canada's gold output** comes from the territory served by this Company. East Kootenay Power Company, another subsidiary of Power Corporation, is further aiding the development of our mineral resources by supplying power to the coal mines in the Crow's Nest Pass district in Alberta, as well as to the Sullivan Mine, property of Consolidated Smelters.

The two largest cities in Western Canada — Winnipeg and Vancouver — are served by power and utility companies affiliated with Power Corporation.

An Impressive Record

Power production in Canada is definitely on the increase, and the time is not far distant when additional power plant installations will be necessary. Power Corporation's Engineering and Construction Divisions have the following impressive record to their credit:

Design and Construction: Design and Supervision; Consulting Engineering on Design and Construction;

No. of Power Developments	15
Aggregate Installed Capacity (H.P.)	669,000
Cost	$58,400,000
Ultimate Capacity (H.P.)	1,084,000

Consulting Engineering, Investigations, Surveys, Estimates, Reports:

No. of Power Projects	58
Aggregate Horse-Power	3,112,000
Estimated Cost	$372,698,000

The Engineering and Construction Divisions of Power Corporation are in a position to serve the industry . . . as in the past . . . with an efficient and experienced organization.

POWER CORPORATION OF CANADA LIMITED
Montreal - - - Canada

Fiscal Agents:
Nesbitt, Thomson and Company Ltd.
355 St. James Street, Montreal

Companies controlled by or affiliated with Power Corporation of Canada, Limited

Southern Canada Power Company Ltd.
Canada Northern Power Corporation
Northern Ontario Power Co. Ltd.
Northern Quebec Power Company Ltd.
B. C. Power Corporation Limited
Winnipeg Electric Company
Manitoba Power Company Ltd.
Northwestern Power Co. Ltd.
East Kootenay Power Co. Ltd.
Northern B. C. Power Company

GAS SALES FELL IN DEPRESSION BUT STABLE TOO

Artificial and Natural Gas Distributors Expect Increase

NOW COMING BACK

Though the production of natural gas in Canada has declined during the past three years, the rate of decline was apparently arrested in 1933 as a result of bigger industrial activity and greater requirements in the severe cold spells of November, December, January and February of this winter. At the same time, though in centres of large population the consumption of manufactured gas has shown some decline, there has been a pronounced resistance shown to decline in use of artificial gas and in some quarters a marked increase has occurred.

This strength has been considerable in spite of the increasing competition from hydro-electric energy in heating, cooking and lighting fields, the lower industrial activity until 1933 was well on its way, and the mild winters experienced for several years back until 1933-34.

There was a 6 per cent increase in coke production in Canada in 1933. Prices remained at about the same levels as in 1932. Increasing use of coke for domestic furnaces, combined with a slightly greater activity in the iron and steel industry, accounted for the increase.

Make Gas in Billions

Of the 42 firms listed as being in the coke and artificial gas industry, nine were chiefly engaged in the production of coke. The other companies produce gas as a primary product and coke as a by-product. The total production of these companies is valued at about $30,000,000, divided half and half between these two types of companies. The industry is largely centred in Ontario, production from that province in 1932 amounting to about two-thirds of the Canadian totals of both coke and gas.

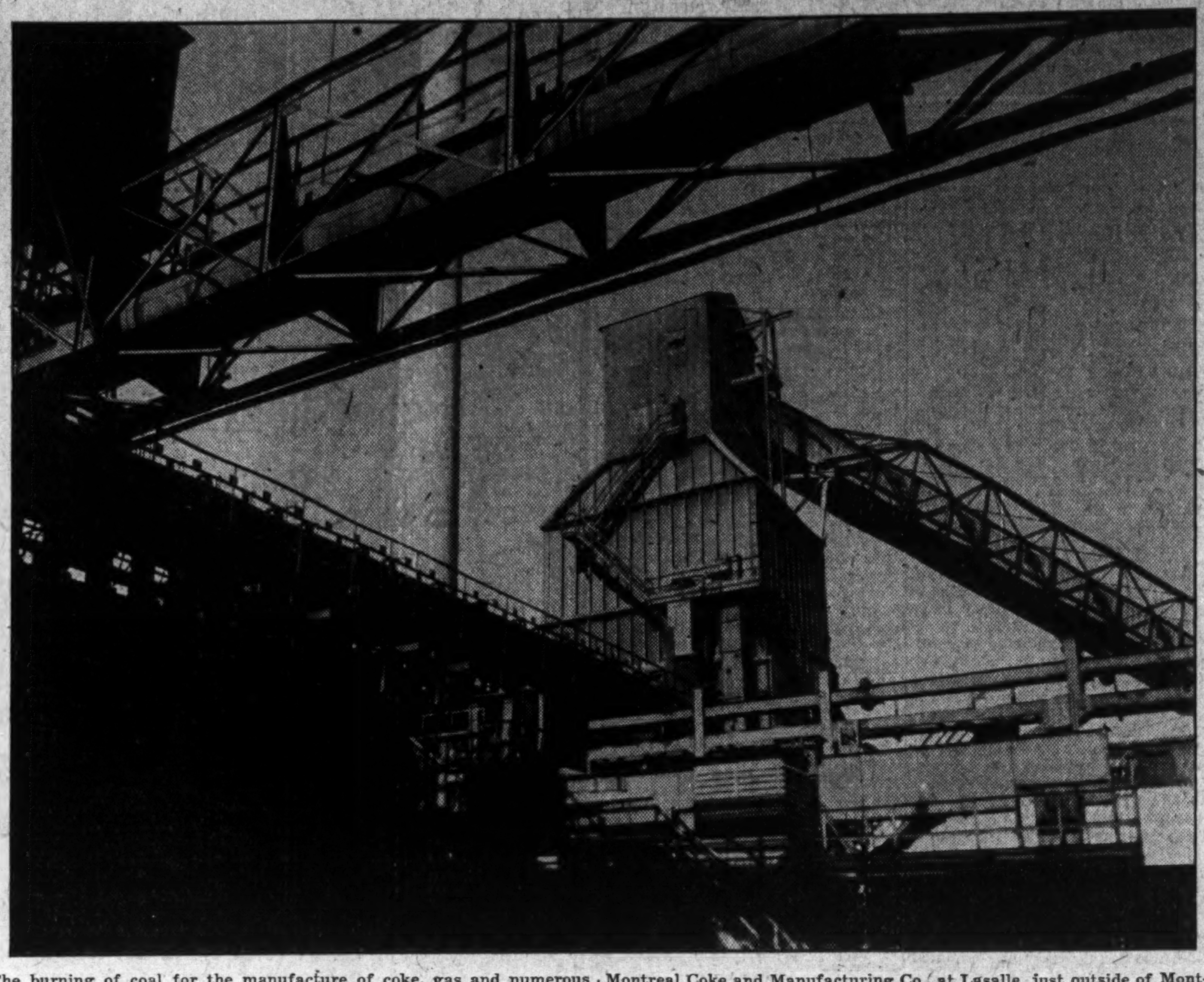
Many distributors of artificial and natural gas have monopolies in certain districts but this does not necessarily give stability of rate structures. Over the long view each company's earnings depend on the success of its products in competing with other fuels after taking into consideration price, convenience and service. The fact that a company may hold franchises, which enable it to be the sole distributor of gas in certain communities and in addition be entitled to charge certain rates established by gas commissions or governmental authorities after taking into consideration the investment, does not mean that it has the monopoly for its products at a fixed price. The company is obliged to place its gas on a competitive basis both as regards price and service with coal, coke, wood, electricity and oil.

Heating Houses With Gas

Union Gas Co. is reported to be playing a large part in house heating in the southwestern part of Ontario with gas. Though in central and eastern Ontario heating is accomplished mainly by furnaces, fueled with either coal, coke, wood or oil, the majority of the houses in southwestern Ontario, due to the higher temperatures, have no furnaces and heat is supplied to a large extent in such homes by the burning of gas in heaters in the different rooms. Even where a furnace or boiler is installed in a home, gas is often considered the best available fuel and its price is on a basis where it can successfully compete with other fuels. That has, of course, become quite a feature of heating in the United States, but this is the only part of eastern Canada where it has become very pronounced. In the West there is more of it.

The competition of the Ontario Hydro-Electric Power Commission in heating water by electricity has not re-acted on the sales of gas companies in the way most people expected. It is stated that the sales campaign has really helped the gas business and greatly increased the sale of hot water heaters over the previous year. The result of the advertising, it is said, was that those who favored electricity got installations for electric heating, while many others preferred gas. It increased business for both. Gas companies have also long term payment plans to as high as five years for the purchase of hot water heaters and fully automatic gas ranges.

Coke Ovens Make For Economic Use of Coal



The burning of coal for the manufacture of coke, gas and numerous other by-products such as tar, ammonia, etc., has developed into one of the major industries in Canada. Many millions of dollars have been spent on modernized plants to meet the coke and gas needs of a majority of Canada's larger communities. This view shows the plant of the Montreal Coke and Manufacturing Co., at Lasalle, just outside of Montreal. In the centre is shown the conveyor tower, from which coal is fed to the ovens in the lower left-hand corner. At the top of the picture is a suspended pipe which carries the gas from the ovens to a large gas-holder situated on another part of the company's property.

DOMINION GAS & ELECTRIC

Capital Reorganization in 1933 Places Control With International Utilities — Fixed Interest Charges Are Reduced — Gross Lower

Dominion Gas and Electric Company, which through its subsidiaries engages in the production, transportation and distribution of electric power and light and natural gas and water to 150 communities in Alberta, Saskatchewan and British Columbia, passed from the control of American Commonwealth Power Corporation in 1933. Due mainly to the latter's inability to meet the maturity of six per cent three year gold notes due July 1, 1933, mainly held by International Utilities Corporation, a re-organization plan was prepared and accepted by bondholders and shareholders. International Utilities now controls.

By virtue of this plan, the $8,000,000 outstanding first lien and collateral 6½ per cent series gold bonds were replaced by a closed issue of $7,000,000, International Utilities destroying the extra $1,000,000 in lieu of sinking fund. The three year six per cent notes, the 25,000 shares first preferred $7 no par value common stock and 41,534 shares of $7 no par value second preferred stock, were eliminated. A new preferred stock of 25,000 shares entitled to dividends at $7 a share, non-cumulative for two years and cumulative thereafter, was created and 156,667 no par value common stock shares took the place of the former 592,500 no par value common shares.

The new preferred stock is convertible in whole or in part for five years after date of issue into shares of new common stock at the rate of six shares of common stock for each share of new preferred stock.

To Finance Through Subsidiaries

It was stated at the time of the re-organization that International Utilities owned half of the outstanding first lien bonds, all of the three per cent gold notes and substantial interest in the first preferred and common stock. In return for surrendering the notes for cancellation and destroying $1,000,000 in bonds it received 25,000 shares of new preferred stock and 146,223-1/15 shares of new common stock as well as a note of $212,036 of American Commonwealth Power Corp., and 5,000 shares of $6 preferred stock of American Gas & Power Company pledged as collateral for the note mentioned.

An important part of the plan was the release of $4,000,000 bonds of electrical subsidiaries which had been pledged behind the Dominion Gas bonds and an agreement of bondholders to allow subsidiaries to finance ahead of parent company bonds. It was agreed also to change the warrant privileges so that holders of each $1,000 in Dominion Gas and Electric bonds will have the right to buy 15 shares of the new common stock at $7.50 for three years and for $10 for the two succeeding years.

The Financial Post was informed that net earnings of the company, after all charges including amortization and depreciation of $490,000 and taxes of $477,000, amounted to $801,804 for the twelve months' period ended July 31, 1933. The total fixed charges on the revised capitalization, as agreed to in the summer of 1933, would amount to $455,000 as compared with previous fixed charges of $700,000. Gross receipts for the period were $4,279,780 as compared with $4,390,000 in the previous period.

Capitalization—

	Authorized	Outstanding
Preferred	50,000 sh.	25,000 sh.
Common	600,000 sh.	*156,667 sh.

No par value.

*In addition, 105,000 shares held for purchase warrants.

Funded Debt— First lien and collateral truest 6½% gold bonds, due 1945, outstanding (closed) $7,000,000.

Dividends—Preferred: entitled to $7 per share per annum, non-cumulative for two years from date of issue, cumulative thereafter; none paid. Common: none paid.

Head Office—New York.

Officers and Directors—

Officers—Fred W. Seymour, chm.; H. R. Milner, pres.; Alva F. Traver and H. C. Phelan, vice-presidents; James P. Reilly, sec. and treas.; C. F. Macdonald, asst. sec. and asst. treas.

Directors—F. W. Seymour, chairman; H. W. Briggs, E. G. Diefenbach, L. A. Eddy, Jr., E. A. Harden, H. L. Nichols, P. M. Chandler, Wiley Corl, E. W. Niver, A. F. Traver, H. R. Milner.

NORTHWESTERN UTILITIES

Capitalization—

	Authorized	Outstanding
Common	60,000 shs.	60,000 shs.
No par value.		
Pref. cum. 8%‡	$1,500,000	$1,500,000
Prior pref. 6%	1,000,000	*956,300
Par $100.		

All of the common is held by Edmonton Utilities, Limited.

*Of this amount $74,000 is unpaid.

‡Over 99 per cent owned by Dominion Gas and Electric Co., and deposited as security for its 6½ per cent first lien and collateral gold bonds.

Funded Debt—

1st mtge. s.f. 7% bonds, due 1938	$4,000,000	$2,602,700

CAN. WESTERN NATURAL GAS

(Controlled by Dominion Gas & Electric Co.)

Capitalization—

	Authorized	Outstanding
Common	*$8,000,000	$8,000,000
Preferred	4,000,000	4,000,000
Par $100.		

*Over 94 per cent owned by Dominion Gas & Electric Co.

Dividend Record—

Preferred—6 per cent per annum cumulative participating, payable, Mar., June, Sept. and Dec. 1; paid regularly.

Common—None at present. Former rate $4 per share per annum payable quarterly, Jan., April, July and Oct. 15. Reduced from $6 to $4 July 15, 1932. Last paid $1 Apr. 15, 1933.

Years end. Dec. 31:	1932	1931	1930
Times All Interest Earned:			
Before deprec., bad debts & amort.	20.04	19.06	17.61
After deprec., bad debts & amort.	15.22	14.05	12.68
Earnings Per Share and Dividend Record:			
Pref.: Earned	$13.20	$15.13	$17.13
Paid	$6.00	$6+50c	$6+50c
Com.: Earned	$4.08	$4.04	$4.56
Paid*	$4.50+$1	$4.50+$1.50	$4+$2

*In addition to regular dividends a special amount was set aside in 1928 for payment of extra dividends to end of 1931.

CITY GAS

Quebec Holding Company Building Up Wider System

City Gas and Electric Corp., one of the newer utility holding companies in Quebec, reports that it concluded its construction programme in the Three Rivers Division for 1933 on a favorable basis. Other divisions are said to have made more than normal progress, especially in the Amos division where the company owns and operates the electrical and waterworks system.

While no financial statement has been issued by the company to date, it is said officially that gross revenues in the Amos district for 1933, for example, will show an increase of 25 per cent over last year and net earnings a betterment of over 50 per cent.

Own Three Systems

City Gas and Electric Corp. was formed in 1931 to acquire the Quebec Gas and Electric Corp. The latter held a franchise to manufacture and distribute gas in Three Rivers. A plant was erected, gas mains installed and in May, 1932, operations were commenced. Later in 1932 the company acquired the distributing system of the Yamaska Power Co., a small organization buying power from Southern Canada Power Co. and retailing it to customers in St. Guillaume and district. Last year City Gas acquired the assets of Consolidated Utilities, which owns and operates the waterworks and electrical distribution at Amos, P.Q.

Capitalization—

	Authorized	Outstanding
Preferred, 7% cum.	$1,000,000	$73,800
Par $100.		
Common, n.p.v.	100,000 shs.	53,951

Funded Debt— First mortgage bonds, 6½%, due 1951, issued $450,000, of which $140,000 held as collateral, $153,800 in treasury, $156,200 outstanding.

Head Office—Three Rivers, Que.

Officers and Directors—

Officers—P. L. Browne, pres.; A. G. Urquhart, vice-pres. and sec.-treas.; J. S. Bock, vice-pres.; J. M. Lyon, asst. sec.-treas.

Directors—P. L. Browne, J. S. Bock, J. I. Dupre, J. C. Lallemane, Montreal, Que.; A. G. Urquhart, Westmount, Que.; H. J. Tetreau, Papineauville, Que.; John Lowe, Valleyfield, Que.

Great Lakes Power

Great Lakes Power Co. has two power sites at which is developed a total of 54,700 h.p. The company serves Sault Ste. Marie, Ont., and surrounding district with power and owns the street railway system of that city and a ferry service on the St. Mary's River. Latest figures are those for 1932 which show the company's output in that year at 153,925,254 kw.h. The company has long term contracts with Abitibi Power & Paper Corp., Algoma Steel Corp., Algoma Central & Hudson Bay Railway Co. and the city of Sault Ste. Marie.

In 1929 shareholders agreed to exchange their securities for securities of Middle West Utilities Co., one of the Insull group.

Capitalization—

	Authorized	Outstanding
Pref. red. cum. series A	26,000 shs.	7,500 shs.
No par value.		
Common, n.p.v.	70,000 shs.	30,000 shs.

Funded Debt— 1st mtge. gold bonds, 6 per cent, due serially 1933-1944, outstanding $1,795,000.

Officers and Directors—

Officers—J. A. McPhail, pres.; A. J. Thomas, vice-pres.; A. E. Pickering, vice-pres. in charge of operations; O. H. Wing, asst. to pres.; J. R. Andrews, treas. and asst. sec.; Ethel Hugill, sec.; H. J. Ludwig, asst. sec.

Directors—J. A. McPhail, A. E. Pickering, J. Dawson, E. B. Barber, O. H. Wing, Sault Ste. Marie; E. N. Hurley, F. E. Krues, C. A. McCulloch, N. P. Zech.

Times All Interest	1932	1931	1930
Earned	†1.44	2.04	2.38

†Bond interest only and after general interest.

Earnings per Share and Dividend Record:

	*1932	1931	1930
Pref.: Earned	$2.82	§$28.42	§$30.32
Paid	7.00	7.00	7.00
Com.: Earned	nil	§6.30	§6.99
Paid	0.67	4.00	$4+1.50

§Based on 6,000 preferred and 20,000 common shares.

*Great Lakes Power Co. Ltd., based on 7,500 preferred and 30,000 common shares.

The PROVINCE of QUEBEC

Immensely Rich in Her Resources, to be Retained and Developed in Canada's Best Interests

WATER POWER—The physical geography of the Province of Quebec is such as to make its innumerable water falls one of its most valuable natural resources. For the time being, the estimated available power for development has been set at some 13,000,000 horse-power (the largest figure of any Canadian Province), out of which over 3,300,000 horse-power have been developed, which figure represents about 50% of the total turbine installation in the whole of Canada. Considerable foreign capital has been attracted and invested in this industry, which has attained a high degree of efficiency. Of course, the world depression has also in a measure affected it and caused a momentary slackening in the demand for power; but the need of electric current is now so general in modern civilization, that it is confidently expected that most power plants will return to normal capacity in no distant future.

FORESTS—Quebec's virgin forest resources are great wealth producers for the Province—not only in revenue for stumpage dues, sale of timber, et cetera, but as the mainstay of the pulp and paper industry, a source of substantial prosperity throughout the Province. Value of wood cut and of other forestry products for 1932 was $19,216,197.

Of the pulp and paper mills actually operating in Canada, 42 are in the Province of Quebec. For 1932, of the $581,597,417 invested in this industry, $289,932,719 were invested in Quebec Province. Quebec is the leading producer both of wood pulp and paper in the Dominion. In 1932, the production of paper was $53,805,018 for 1,057,433 tons, and of wood pulp $31,124,954 for 1,240,442 tons.

MINERALS—The value of Quebec's mineral production has reached $46,454,000. The mineral possibilities of Quebec are enormous. Whilst noted in the past chiefly for its non-metallic substances—asbestos (Quebec producing 73% of the world's total production), mica feldspar, magnesite, graphite, marble and ornamental stone—with the discovery and development of the metallic deposits in the Western part of the Province, Quebec is now an important producer of gold and copper. Mining laws in Quebec are very liberal and favor the prospector.

AGRICULTURE—Estimated gross revenue from agriculture in 1932 approximated $129,656,000. Mixed farming is highly developed, with dairy products, next to field crops, the most important branch. Some 1932 production values are as follows: Field crops, $70,382,000; dairy products, $30,433,000; poultry and eggs, $7,504,000; fruits and vegetables, $4,777,000; maple products, $1,727,000; tobacco, $329,000; oats (included in field crops), $18,369,000; farm animals, $13,314,000; wool, $332,000; clover and grass seed, $110,000; honey, $216,000.

MANUFACTURING—Quebec's hydro-electric power is not only abundant, but is the cheapest in Canada. This plus strategic location in relation to markets, splendid water and railway transportation facilities, excellent labor, and availability of raw materials, has been responsible for the Province's solid and rapid growth industrially. Manufacturing establishments in 1931 numbered 7,505, employing 180,808 workers and representing a capital investment of $1,662,811,076. The gross value of products in 1931 was $849,154,353.

TOURISTS—Both summer and winter tourists find Quebec Province a place of intriguing charm. Good hotels, varied scenery, good roads, winter sports, sensible, well-regulated liquor laws, historic spots, have all combined to increase tourist traffic. It is estimated that motor tourists from United States alone spent $40,000,000 in the Province of Quebec in 1933.

GOVERNMENT

Lieutenant-Governor, THE HON. HENRY GEORGE CARROLL

Members of the Executive Council

HON. LOUIS A. TASCHEREAU
Prime Minister, Attorney-General, Minister of Municipal Affairs and Provincial Treasurer

HON. HONORE MERCIER, Minister of Lands and Forests
HON. JOSEPH E. PERRAULT, Minister of Roads and Mines
HON. LOUIS A. DAVID, Provincial Secretary
HON. EMILE MOREAU, Minister without portfolio
HON. LAUREAT LAPIERRE, Minister without portfolio
HON. JOSEPH H. DILLON, Minister without portfolio
HON. HECTOR LAFERTE, Minister of Colonization, Game and Fisheries
HON. J. N. FRANCŒUR, Minister of Public Works
HON. J. ADELARD GODBOUT, Minister of Agriculture
HON. GEORGE BRYSON, Minister without portfolio
HON. CHARLES J. ARCAND, Minister of Labour
HON. R. F. STOCKWELL, Provincial Treasurer

For further information write

Office of the Premier, Province of Quebec, Quebec

Dr. L. J. Lemieux, Agent General for the Quebec Government, 2 Cockspur Street, Trafalgar Square, London, S.W. 1

UNION GAS CO.

Increases Manufactured Gas Sales — Earnings Well Maintained in 1933

Although natural gas send-out of Union Gas Company of Canada dropped in 1933 to 3,320,000,000 cu. feet, as compared with 3,450,000,000 cu. feet in 1932, this was made up for by increase in manufactured gas send-out from 1,630,000,000 cu. feet in 1932, to 1,840,000,000 cubic feet in 1933. These figures cover operations of Union Gas Company and its subsidiaries, City Gas Co. of London and Union Fuel Investments.

By-products of the manufactured gas of the company showed considerable increase in sales, as the following estimate of some of the principal by-products will show: benzol increased from 730,000 gallons in 1932 to 800,000 gallons in 1933; sulphate increased from 3,710 tons in 1932 to 4,570 tons in 1933; coke and breeze output was 335,000 tons in both years; and tar increased from 3,277,000 gallons in 1932 to 3,575,000 gallons in 1933.

Earnings Keep Up

As the fiscal year of Union Gas Co. does not end until March 31, 1934, and the annual reports will not appear until June, earning figures for the fiscal year are not yet available. In the annual report published last June for the year ended March 31, 1933, the president, S. A. Morse, stated that the earnings of the Union, Windsor and London companies before income taxes had amounted to 63c. a share as compared with 40c. a share in the preceding year.

The severity of the winter of 1933-1934 makes it probable that earnings for the fiscal year will be maintained if not somewhat better than in the preceding year, which had also shown an improvement over the preceding fiscal year. The results for the winter months, when the heavy load for house heating has to be met by the company, determine almost entirely the earnings for the entire year.

Capitalization—

	Authorized	Outstanding
Common	1,000,000 sh.	706,146 sh.

No par value.

Funded Debt— 1st mtge. coll. trust S. F. bonds, 5½%, due 1956, authorized $10,000,000; $7,928,000 issued and pledged as collateral to bank loan.

Funded Debt of Subsidiaries— Windsor Gas Co., 5% 1st and refund. mtge., due 1966; outstanding $1,118,500. City Gas Co., London, 6% 1st mtge., due 1947; outstanding $222,000.

Dividend Record— Common—None at present. Last paid 25 cents Dec. 10, 1931.

Head Office—Chatham, Ont.

Officers and Directors—

Officers—G. R. Cottrelle, chm. of board S. A. Morse, pres. and gen. mgr.; D. A. Coste, 1st vice-pres.; R. L. O'Brian vice-pres.; W. J. K. Vanston, vice-pres.; R. L. Bevan, asst. gen. mgr.; A. R. MacKenzie, compt., sec. and treas.; Pearl Wilson, asst. sec.

Directors — S. A. Morse, D. A. Coste, Chatham, Ont.; Eugène Coste, Arthur F. White, George R. Cottrelle, Toronto; W. L. Duffield, London, Ont.; W. J. K. Vanston, New York, N.Y.; R. L. O'Brian, F. E. Ogden, Buffalo, N.Y.

Year End. Mar. 31—

Times All Interest Earned:	1933	1932
Before depreciation	2.94	2.75
After depreciation	2.28	2.01
Earnings per Share and Dividend Record—		
Common: Earned*	$0.56	$0.37
Paid	nil	0.75

* Before payment to United Fuel under contract.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common	7¾	2⅜	7	1¾	16	4⅜

UNITED FUEL INVESTMENTS

(Controlled by Union Gas Co. of Canada)

Capitalization—

	Authorized	Outstanding
Preferred	$25,000,000	$9,000,000
Par $100.		
Common*	250,000 sh.	100,000 sh.
No par value.		

* Over 99 per cent held by Union Gas Co.

Funded Debt— Gen. debt..Ms . Gen. mtge. 6½% bonds due 1956, outstanding $775,000. Issued bonds all held by Union Gas Co.

Dividend Record— Preferred—Entitled to 6 per cent per annum. None paid since Oct. 1, 1931. Common—None paid.

Head Office—Hamilton, Ont.

Times All Interest Earned—	1933	1932	1931
Before deprec.	1.47	1.53	2.22
After deprec.	1.05	1.08	1.71
Earnings per Share and Dividend Record—			
Preferred: Earn.	*$1.76	*$1.96	$3.07
Paid	nil	2.00	5.50
Common: Earned	nil	nil	nil

None paid.

* After addition of payment received from Union Gas Co. under contract.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common	..	..	..	..	8	3
Preferred	17½	4½	15	3	65	10

UNITED GAS & FUEL

(Controlled by United Fuel Investments)

Capitalization—

	Authorized	Issued
Common	$2,000,000	$2,000,000

Par $100. All owned by United Fuel Investments.

Funded Debt— 1st mtge. 5½% bonds, due 1948, outstanding $1,757,000.

Dividend Record— None paid since 1927.

Head Office—Hamilton, Ont.

UNITED SUBURBAN GAS

(Controlled by United Fuel Investments)

Capitalization—

	Authorized	Issued
Common	$5,000	$297,200

Par $100. All owned by United Fuel Investments.

ALDRED & COMPANY
LIMITED

Corporation Financing

MONTREAL
Aldred Building

Serving the fuel needs of Ontario's most densely populated area

UNION GAS COMPANY OF CANADA, LIMITED, and its subsidiaries recorded substantial progress in 1933. An increased number of consumers, a strengthening of financial position, plant maintained in excellent condition, and improved facilities for service provide a sound reason to look forward to the future with confidence.

MARKETS

This Public Utility supplies gas to the Cities of Hamilton, London, Windsor and the other Border Cities, Sarnia, Chatham and numerous other municipalities from Oakville on the east to Windsor and Sarnia on the west. It supplies over 67,000 consumers with this fuel for domestic, commercial and industrial purposes, and has developed a large house heating business. The Company's large production of coke is distributed throughout Southern Ontario.

EQUIPMENT

The Company has gas leaseholds on more than 175,000 acres of land on which are more than 400 producing wells. Natural gas reserves are estimated at approximately one hundred billion cubic feet and new supplies are being continually developed.

Gas manufacturing plants are located at Hamilton, London and Windsor. Gas storage facilities at these points aggregate 8,600,000 cubic feet.

Gas is distributed through over 2,400 miles of pipe lines.

PRODUCTION

In 1933 the Company produced and sold over three billion cubic feet of natural gas and over one and one-half billion cubic feet of manufactured gas.

In addition the Company produces annually 325,000 tons of coke, 3,200,000 gallons of tar, 750,000 gallons of motor benzol and 3,750 tons of ammonium sulphate.

SUBSIDIARIES

The Union Gas Company of Canada, Limited, owns the Windsor Gas Company, Limited, and the City Gas Company of London. It has a controlling interest in United Fuel Investments, Limited, which in turn owns Hamilton By-Product Coke Ovens, Limited, United Gas and Fuel Company of Hamilton, Limited, and the United Suburban Gas Company, Limited.

UNION GAS COMPANY OF CANADA LIMITED

CONSUMERS' GAS CO.

Dividend Payer for 65 Years is in Fourth Year of Earnings Less Than Dividends — May Raise Rates

The Consumers' Gas Company of Toronto, which paid annual dividends of 10 per cent from 1848 to 1857, 8 per cent from 1858 to 1873 and 10 per cent from 1874 to date, has again been experiencing for three years back a period in which net profits have been considerably less than the 10 per cent required for dividends. The company is permitted to charge rates sufficient to pay 10 per cent on the par value of its stock by reason of the special incorporation act of the Ontario Legislature but it has hesitated to raise rates in a time of depression when users of gas were feeling the stresses of the period and therefore has had to trench on reserves to an extent not known previously in the last 66 years. The rate available for the common stock has been declining since 1930 being $9.56 a share in the year ended September 30, 1931, $8.25 a share in 1932 and $5.90 a share in 1933.

Four Elements Affecting Company

Although increasing industrial and commercial activity and therefore greater employment, would make a great difference in the company's situation, and though its future course will probably ultimately continue its splendid record of the past, it is just as well to understand the following four elements in the reactions of the company to the depression period:

1. Since 1928, requirement to pay dividends has increased $205,520 annually because of the fact that the company's financing to extend its plant and its mains has always been done by further issues of its capital stock sold at a premium.

2. Because gas output dropped from a high of 6,453,832,000 cubic feet in 1931 to 6,001,800,000 cubic feet in 1933 and the number of meters installed fell from a high of 172,528 in 1932 to 170,271 in 1933, gross earnings dropped from $7,994,304 in 1931 to $7,027,643 in 1933 and net profits from a high of $1,390,438 in 1930 to $828,639 in 1933.

3. Though operating and administrative economies have brought costs to the lowest point since 1926, full advantage could not be gained from that fact because taxes in the interim increased to more than $800,000 in 1933, or 15 per cent of total receipts for gas, as compared with 8.3 per cent in 1931.

Can Pay Dividends

4. To keep up dividends under these circumstances to the present requirement of $1,405,520 annually, the company has used up the special surplus account which stood at $284,602 in 1930 and has reduced that part of the reserve fund, authorized under the act of 1887, from $1,000,000 in 1932 to $444,325 in 1933. There is still a reserve of $6,993,908 made up of the premiums on capital stock sold to shareholders in the company's long history and it therefore appears probable that the company could pay the dividends to shareholders for a number of years, if necessary, from this amount contributed by the shareholders themselves. The company is permitted to pay from this reserve under the incorporating act.

The company has always been able to sell its stock at a premium in the past because of its long dividend record, excellent management and the perpetual charter which gives the right to charge sufficient rates to pay 10 per cent on the par value of the stock. Investors are undoubtedly strongly confident that the company's inherent strength will soon restore the earnings situation and that, if not, an increase in rates will do it because prices are now running around $172 a share equivalent to a 5.8 per cent return. This is rather a high tribute to the company because confidence in recent years had begun to wane a little in public utilities with a long dividend record because C. P. R. abandoned its dividend after decades of steady payments and because Bell Telephone Co. after 40 years had to reduce its 8 per cent rate to 6 per cent in spite of previous decisions by the Railway Board permitting rates to support such a payment. There are times when rates simply cannot be raised whatever rights may be.

The legal situation is somewhat better for Consumers' Gas Company of Toronto than for C. P. R. and Bell Telephone. The dividend rate can be supported by increased rates permitted by law if these are eventually unavoidable and the company has a large enough reserve to stand several years of hard times if necessary and still to continue dividends.

Owes No Bank Loans

Increasing of rates might have some tendency to limit use of gas but would be less likely to do that in view of the fact that the company has under its charter made successive reductions in rates in the past. The increasing taxation, which is an uncontrollable expenditure, may make such an increase necessary.

A feature of the company's financial structure is the plant and buildings renewal fund. Such a fund was made obligatory by statute and the company withdrew $1,036,814 from its net earnings in 1933 for this fund. A similar amount has been withdrawn annually in recent years.

Repairs and renewals during the year only cost $557,316 so that there was really an increase in that fund of $469,498 to $3,332,693 in the year. This appropriation amounts to 5 per cent of the value at which the plant and buildings used by the company stand on the books at the end of the fiscal year. All usual and ordinary renewals and repairs were charged against this fund. The Real Estate Plant and Equipment Fund as shown on September 30 last was $21,596,343.

Working capital of the company exceeds $3,000,000 and there are no bank advances. In 1933 and 1934 to date the high point was 190 and the low point 161. The stock is selling around 172 at present. Even at 161 investors were showing a high degree of confidence in the company's future as the return on a $10 dividend basis is 6.21 per cent. The price has in many years exceeded 180 and was at 210 in 1928.

Capitalization—	Authorized	Outstanding
Common	$25,000,000	$14,055,200

No par value.

Dividend Record—
Common—10 per cent per annum, payable quarterly, Jan., Apr, July and Oct. 1.

Head Office—Toronto.

Officers and Directors—
Officers—A. W. Austin, pres.; A. Hewitt, vice-pres. and gen. mgr.; E. J. Tucker, asst. gen. mgr. and sec.
Executive Committee—A. W. Austin, A. H. Campbell, Col. J. F. Michie and F. G. Osler.
Directors—A. W. Austin, A. R. Auld, A. H. Campbell, L. Goldman, Col. J. F. Michie, A. Hewitt, F. G. Osler, T. H. Wood, T. Bradshaw, and His Worship the Mayor of Toronto, all of Toronto.

Years End Sept. 30:
Earns. per Share and Div. Record:

	1933	1932	1931
Earned ...	$5.90	$8.25	$9.56
Paid	10.00	10.00	10.00

Market Record—

	1933	1932	1931
High	190	175	187
Low	161	142	163

MONTREAL TRAMWAYS CO.

Commission Draws on Reserves for Nearly $600,000 to Meet Charges in 1933 — Company's Funded Debt Obligations Lightened by Favorable Exchange Rates

Montreal Tramways, control of which is held jointly by Shawinigan Water and Power Co. and Montreal Light, Heat and Power Cons. through United Securities, reported restricted operations in the last two years, resulting in a decline in the amount of revenue available to the Montreal Tramways Commission. The latter, in order to meet charges of the Montreal Tramways Co. and rentals to the City of Montreal, had to draw up reserve in 1933 to the extent of more than $500,000.

This, of course, does not directly affect the company, as under the terms of its contract with the commission, it is entitled to a fixed return on capital. The company was affected, however, by heavy premiums paid on the purchase of United States funds in order to meet interest payments. This charge was so heavy in 1932 that the company found it necessary to reduce the dividends on its common stock.

The premium on American fund declined appreciably last year and during the third quarter the company announced an increase in the dividend on its capital stock from $2 to $2.25 quarterly.

Pay Heavy Premium

In 1932, earnings of Montreal Tramways Co. available on its common stock were equivalent to $9.80 a share. Had it not been for the premium paid on United States exchange, share earnings would have been in excess of $10 and so enabled the company to maintain the regular dividend rate of 10 per cent which has been in effect for several years prior to 1932. The extent to which the premium paid on the purchase of U. S. funds affected earnings available on the company's common stock may be better understood with the knowledge of the fact that in 1931 this charge amounted to $196,698 and in 1932 to $331,369.

Returns on Better Basis

As far as Tramways' operations in 1933 are concerned, it is anticipated that the report of the Tramways Commission did not show any material increase in income. Payments to the company which are on a fixed basis, were met so that the gross amount of revenue available to Montreal Tramways Co. to meet its fixed charges and dividends was in the neighborhood of the figure reported for 1932. But with the premium payable on the purchase of United States funds reduced materially, the amount of net earnings available on the common stock should be better than reported for 1932.

The relatively strong showing made by Montreal Tramways Co. to date is largely due to the existence of the contract with the city which provides for the maintenance of fares at a level sufficient to meet all operating expenses and taxes; funds for maintenance of renewals; a return of 6 per cent on the fixed capital value of the property as well as 6 per cent on all additional capital and working capital; an allowance for auto bus operations; an amount to be set aside each year to cover expenses of financing; and an annual rental of $500,000 to the city.

Capitalization—	Authorized	Outstanding
Common	$20,000,000	$7,000,000

Par $100.
38,336 shares (51.77%) are held by United Securities, giving that company control.

Funded Debt—
First and refund. mtge. 5% bonds, due 1941, outstanding $21,351,000.
Gen. and ref. mtge. gold bonds: Outstanding:

Series A 5% due 1955	$17,684,100
Series B 5% due 1955	2,457,300
Series C 4½% due 1955	2,415,100
Series D 5% due 1955	4,975,000
Series E 5%, authorized ..	$5,000,000, none issued.

Dividend Record—
Common—9 per cent per annum, payable quarterly, Jan., April, July and Oct. 15. Reduced from 10 per cent Jan. 14, 1933.

Head Office—Montreal.

Officers and Directors—
Officers—Julian C. Smith, pres.; Col. J. E. Hutcheson, vice-pres. & dir.; R. N. Watt, vice-pres.; K. B. Thornton, gen. mgr.; P. Dubee, sec.-treas.; C. H. Boire, asst. sec.-treas.; H. E. Smith, compt.
Directors—Julian C. Smith, Col. J. E. Hutcheson, Howard Murray, G. H. Montgomery, G. W. MacDougall, S. Godin, Jr., Hon. Lorne C. Webster, W. C. Finley, Beaudry Leman, Hon. J. P. B. Casgrain, all of Montreal, P.Q.

	1932	1931	1930
Times Int. Earn.	*1.25	*1.31	1.42

*Times interest and exchange in 1932 and 1931.

Earns. per Share and Div. Record:
Common:

Earned .	$9.80	$11.51	$14.14
Paid	9.75	10.00	10.00

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Com.	110	70	150	90	177	150

Administration and Trust Elect Lemieux President

From Our Own Correspondent

MONTREAL.—At a meeting of the Board of Directors of the Administration and Trust Co., Hon. Rodolphe Lemieux was elected president to succeed the late Sir Hormisdas Laporte. Alphonse Raymond, member of the Montreal Harbor Commission, was elected a member of the board.

OTTAWA TRACTION

Operating Unit Earns More But No Dividend Paid

Ottawa Traction, holding company for the Ottawa Electric Railway Co., continues to receive no dividends on its stock holdings in the subsidiary.

Last year Ottawa Electric Railway reported a slight gain in return on capital invested. Gross revenues were off slightly, but economies in operating expenses and reduction of depreciation charge of more than $100,000 to $149,981, enabled the company to show a return on capital of $188,502 compared with $186,114 in 1932. After taking care of bonds and other interest charges, there was a balance of $41,814 or about $10,000 more than in the previous year.

Ottawa Tramways' funded debt was reduced last year from $2,682,500 to $2,587,600. This is reflected in the company's holdings of Ottawa Electric bonds which, in turn, declined from $2,705,700 to $2,587,600 due to the operation of sinking fund.

Capitalization—	Authorized	Outstanding
Common	$10,000,000	$5,607,600

Par $100.

Funded Debt—
1st mtge. and collat. trust A. bonds, 5½%, due 1955 ..... $2,587,600

Dividend Record—
Common—None at present. Formerly 4 per cent per annum, payable Jan. 2, Apr. 1, July 2 and Oct. 1. None paid since Jan. 2, 1928.

Head Office—Ottawa.

Officers and Directors—
Officers—Hon. T. Ahearn, pres.; Major F. D. Burpee, vice-pres.; G. L. Snelling, sec.-treas.
Directors — Hon. T. Ahearn, T. F. Ahearn, M.P.; T. Workman, G. F. Henderson, Col. G. P. Murphy, Major F. D. Burpee, Capt. O. G. Whelen, J. F. Smellie, Ottawa; H. W. Soper, Montreal.

Profit and Loss Account—
The company's only income is that received as dividends on the shares of Ottawa Electric Railway Co. As that company paid no dividends for the years ending Dec. 31, 1928-1933 inclusive, there were no dividends paid on the shares of the Ottawa Traction Co. in those years.

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common ..	8	4¼	10	8	25	25

OTTAWA ELECTRIC RAILWAY
(Controlled by Ottawa Traction Co.)

Capitalization—	Authorized	Outstanding
Common	40,000 shs.	*35,197 shs.

No par value.
* Of which the parent company holds 35,047 shares.

Funded Debt—
First mortgage 5½% bonds, series A, due 1955, outstanding $2,587,600.
The entire issue pledged as security for parent company's bonds.

Dividend Record—
Common—8 per cent paid in 1927. None since.

Officers and Directors—
Officers—Hon. T. Ahearn, pres.; Major F. D. Burpee, vice-pres.; G. L. Snelling, sec.-treas.; J. M. Ahearn, asst. mgr. and pur. agent; A. J. Tobin, supt.
Directors—Hon. T. Ahearn, Major F. D. Burpee, T. Workman, T. F. Ahearn, G. F. Henderson, Col. G. P. Murphy, Capt. O. G. Whelen, J. F. Smellie, Ottawa; H. W. Soper, Montreal.

Times Bond and Other Interest Earned—

	1933	1932	1931
Before depreciation .	2.41	3.08	3.32
After depreciation ..	1.35	1.30	1.66

Earnings per Share:

Common: Earned	$1.19	$0.90	$2.44

No dividends paid.

POSTAL TELEGRAPH

International System of Communications Hard Hit by Depression

Postal Telegraph & Cable Corp. is a holding company which, through control of Mackay Companies and its subsidiaries, controls the world's largest telegraph-cable system. Revenues are derived from investments in subsidiaries operating telegraph, cable and radio communication systems connecting North America, Europe and Asia. Through its connections it reaches all parts of the world and in Canada connects with the telegraph system of the Canadian Pacific Railway.

Postal Telegraph & Cable Corp. was formed in 1928 as a subsidiary of International Telephone and Telegraph Co. to facilitate the merger with the latter company of the properties of Mackay Companies. An agreement was entered whereby investors in bonds and stocks of the Mackay Companies deposited their holdings and received bonds and stocks of Postal Telegraph.

Gross earnings of Postal Telegraph declined from $38,556,666 in 1929 to $26,546,198 in 1932 and net earnings available for bond interest dropped from $5,504,385 to $98,825. Gross earnings in the first nine months of 1933 were slightly under earnings in the same period of 1932, while net income showed some increase. Bond interest was not earned in 1931, 1932 or 1933.

During the past four years the reduced volume of international trade affected revenues from cable business as well as telegraph business.

Capitalization—	Authorized	Outstanding
Pref. 7% non-cum., $100 par	$60,000,000	$30,529,500
Com., n.p.v.	2,000,000 sh.	*1,017,650 sh.

*All owned by International Telephone and Telegraph Corp.

Funded Debt—
Collateral trust bonds or debs., 5 per cent, due 1953; outstanding $50,670,210 ($44,630,530 in bonds, $6,039,680 in debentures).

Head Office—Baltimore, Md., U.S.A.

Officers and Directors—
Officers—H. Mackay, chm.; Sosthenes Behn, chm. of ex. com.; Hernand Behn, vice-chm. of exec. com.; G. S. Gibbs, pres.; A. H. Griswold, ex. vice-pres.; W. J. Deegan, vice-pres. and compt.; W. H. Pitkin, vice-pres. and gen attor.; E. F. Chinlund, vice-pres.; H. L. Kern, sec.; J. A. Redegeld, treas.
Directors—A. M. Anderson, Hernand Behn, Sosthenes Behn, E. J. Berwind, G. S. Gibbs, L. L. Clarke, W. J. Deegan, F. J. Fisher, G. H. Gardiner, John Goldhammer, A. H. Griswold, H. L. Kern, R. C. Leffingwell, C. H. Mackay, J. L. Merrill, H. B. Orde, W. H. Pitkin, F. L. Polk, Gordon Rentschler, C. H. Sabin, C. E. Calder, P. K. Condict, F. C. Page, New York City; E. W. Beatty, Montreal; F. Osler, Toronto.

Years Ended Dec. 31:

	1932	1931	1930
Times Bond Int. Earned:			
After deprec.	0.04	0.34	1.03
Earnings per Share and Div. Record:			
Pref.: Earned	nil	nil	$0.32
Paid	...	...	$7.00

Common: none earned or paid.

Price Range of Stock (New York)—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Preferred	40⅞	4	17⅛	1⅞	39⅞	4

Canadian Auto Exports Gain More Than U. S. A.

Exports of automotive products from the United States during 1933 registered an increase in value of 14.3 per cent over 1932, according to official statistics. During the same period Canada's export trade of automotive products increased by close to 40 per cent.

Total value of U. S. shipments in 1933 amounted to $93,968,383 as compared with $82,185,100 for the preceding year. Canadian exports rose from $7,130,725 to $9,874,768.

An interesting point in this export trade is that in both United States and Canada exports of parts, included in the totals, declined while export of complete vehicles increased by almost 50 per cent in both cases.

TWIN CITY TRANSIT

Traffic Decline Continued in 1933 — Prospects Are Better

Twin City Rapid Transit Co. owns and controls the street railway system of Minneapolis, St. Paul and the surrounding district. As in the case of most street railway companies Twin City has suffered decline in revenue and net earnings since 1929 but a definite improvement in business was experienced in the latter part of 1933 which, if continued, will place the company in an improved position.

Decline in revenue passengers carried has persisted since 1921. In 1921 the company carried 227,732,564 revenue passengers and in 1933 it carried 100,387,269 paying passengers. While part of the decline in recent years has been due to the depressed business conditions the major factor in the decline is due to increasing use of the private automobile. The company has countered this trend by reducing operating costs which in 1933 amounted to only 20.19 cents per car mile without depreciation. Buses are operated at 12.74 cents per bus mile.

Covers Fixed Charges

The company has earned its fixed charges to date although the margin over bond interest charges in 1933 was only 10 per cent due chiefly to the low level of earnings in the first quarter of the year. The company has maintained a strong cash position and in 1930 made preparations to meet funded debt of a subsidiary which matures in 1937. Bonds maturing prior to 1937 amount to only $210,000.

The company serves an area of 225 square miles with a population of 800,000. Total mileage of track operated is 475 miles while in addition the company operates bus lines. The company has been in operation since 1891 and operates under indeterminate permits issued by the state which continue in force until the municipalities shall acquire street railway properties at value established by a state commission.

Before the annual meeting held on February 7 there was a fight for proxies in which the management was successful, securing a total of 113,713 votes out of the 174,612 votes represented at the meeting. As a result there was no change in the directorate or the officials of the company. It was decided, however, to secure the services of an independent engineering and accounting firm to investigate the company thoroughly and report its findings to shareholders.

Capitalization—	Authorised	Outstanding
Common ...... No par value.	220,000 shs.	220,000 shs.
Pref. 7% cum. Par $100.	3,000,000	3,000,000
Funded Debt—		
First lien and refund bonds, series A 5½% due 1952	18,000,000	17,351,000
Sec. div. notes 6%, due 1937 .	330,000	230,000
St. Paul City Rly. bonds, 6%, due 1934	1,000,000	155,000
Bonds, 5%, due 1937	5,500,000	3,708,000
Twin City Motor Bus 1st Mtge., 5%, due 1927 to 1936	90,000	55,000

Dividend Record—
Preferred—7 per cent cumulative payable quarterly Jan., April, July and Oct. 1. Paid regularly to and including Jan. 2, 1932, since passed. In arrears $14 per share Jan. 2, 1934
Common—None. 4 per cent paid for 1930 in secured dividend notes. No payments since.

Head Office—Minneapolis, Minn.

Officers and Directors—
Officers—T. Julian McGill, pres.; E. W. Decker, vice-pres.; D. J. Strouse, vice-pres. and sec.; E. A. Crosby, treas.; A. D. Starkey, asst. treas.; S. Macdonald, compt.
Directors—Alfred F. Pillsbury, Minneapolis, Minn.; James A. Cathcart, Chicago, Ill.; E. W. Decker, Minneapolis, Minn.; Frank Bergen, Newark, N.J.; A. E. Ames, Toronto, Ont.; Charles Hayden, New York, N.Y.; T. Julian McGill, Minneapolis, Minn.; W. O. Washburn, John P. Fitzpatrick, St. Paul, Minn.; Hon. Frank Carrel, Quebec, P.Q.

Times Cons. Bond	1933	1932	1931
Int. Earned:	1.10	1.15	1.38
Earns. per Share & Div. Record:			
Preferred:			
Earned ..	nil	$1.36	$10.82
Paid ...	nil	nil	7.00
Common:			
Earned .	nil	nil	0.52
Paid	nil	nil	nil

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Com.	4	1	5	2	17¼	2½
Pref.*	15	4½	24½	7	62	11½

*New York Exchange.

Dependable Investments

A. E. AMES & CO.
LIMITED

Business Established 1889

Purchasers and Distributors of
Government, Municipal & Corporation
SECURITIES

TORONTO

Montreal Vancouver Victoria
New York London, Eng.

Suggestions on request

Lumber Cut Reduced

The cut of lumber in Canada during 1932 was considerably less than it had been since 1908, when accurate annual statistics of the lumber industry were first collected. The total value of all the products of the industry decreased from $2,927,750 in 1931 to $38,506,647 in 1932, a decrease of 39 per cent. There were decreases in both quantity and total value of all principal products except shingles.

Practical
PUBLIC OWNERSHIP

Ownership of this company is represented by bonds, debentures and shares which aggregate many millions of dollars in value and are held in Montreal by scores of thousands of individuals, estates, banks and insurance companies.

Obviously this is not the theoretical public ownership through political control upon which the demagogues delight to dilate, but actual ownership in a practical manner, representing investments by the people either directly or through bank deposits, insurance policies and so on.

The interdependence of this company and the community it serves could in no way be better demonstrated than in this practical method of public ownership.

Montreal Light Heat & Power Consolidated

The BIG ELECTRIC CENT

One cent spent for electricity, using dining-room appliances, will cook two whole meals on a table grill; or make enough waffles for six people with a waffle-iron; or brew ten cups of tea in an electric tea-pot

ELECTRIC RYS. ARE DECLINING BEFORE AUTOS

Advance of Good Roads and Automotive Efficiency Curb Income

Further decline in business is reported by the 45 electric railways shown by the Dominion Bureau of Statistics, as operating in Canada at the end of 1932. Though exact figures are not yet available, it is known that number of passengers carried and revenues dropped from the 1932 levels, the smaller systems finding continuation of full schedules increasingly difficult. Attempts to reduce operating costs by combining the duties of driver and conductor have been made on some lines, the Toronto system considerably reducing the payroll by this method.

Year after year in the Public Utility number an increasing use of motor cars and multiplying of good roads have been given by The Financial Post as the chief causes for the rapid decline in number of electric railways reporting for more than a decade and in revenues of those which are left. During the last few years, however, motor bus competition as one phase of this automotive competition has become more or less nonexistent as the paying lines have been incorporated in most cases into the corporate structure of electric railways and used for less densely populated districts.

Less Passengers Carried

There was a further decline, not yet estimated, from the total of 642,831,002 fare passengers carried in 1932 just as that was a nine per cent decline from the total in 1930 and the 1930 total was a 4.9 per cent decline from the 1929 total. Urban roads provided the greater part of the traffic, the Montreal Tramways System being responsible for one third of the total and the Toronto Transportation Commission for nearly one quarter.

In the last 10 years, 27 railways have ceased operation. In 1932 alone five systems, including two inter-urban lines, ceased operation. One of these, the Brantford Municipal Railway, substituted a bus service for three months but resumed operation again early in 1933. The other systems which ceased operations were: Brandon, Moose Jaw, Niagara Falls Park and River Division of the International Railway and the Sandwich, Windsor and Amherstburg railway.

Of the 45 railways reporting in 1932, 14 showed a loss from operations and, after paying taxes, interest and other income charges, 24 railways showed deficits. Only four railways paid dividends,—The British Columbia Electric, The Cornwall Street Railway, Light and Power, the Nova Scotia Light and Power and the Montreal Tramways. This last company operates on a cost of service arrangement with the City of Montreal. Railways operating light and power systems, include the income from those sources in their operating income.

The greatest rate of decrease was in traffic on the small systems carrying less than 2,000,000 passengers per annum. These showed a decrease of 29 per cent. The decrease on systems carrying over 10,000,000 passengers was nearly 10 per cent ranging from 17.3 per cent for the Hamilton Street Railway to only half of one per cent for the Edmonton Radial Railway.

The Toronto system, including buses but not including inter-urban coaches, showed a decrease in 1932 of 21,815,415 passengers, or 11.7 per cent and the Montreal system showed a decrease of 21,333,974 passengers, or 9.2 per cent. Due to the discontinuance of transfer issues, the Saskatoon Municipal Railway showed an increase of six per cent.

Revenues on all electric railways amounted to $43,339,381 which compared with 1931 revenues of $49,088,310. Operating expenses were reduced from $35,367,068 in 1931 to $31,516,943 in 1932 and net operating revenue decreased from $13,721,242 to $11,822,438. The number of employees was reduced from 17,135 to 15,961 and the salaries and wages from $24,647,391 to $21,534,419.

Total miles of track operated were 1,304 and the tons of freight carried were 1,509,561 tons in 1932 as compared with 1,977,441 tons in 1931. Motor car registrations showed some decrease, but cars still in use were apparently used more and the fact that Canada has one motor vehicle for every nine persons and stands fourth among the world countries in this respect is a factor of great importance to the earnings of electric railways. High provincial road taxes have tended somewhat during the depression to cut down long motor car trips but that has not helped the electric railways.

Wider Market for Power Exists

CENTRAL STATION CUSTOMERS NUMBER 1,632,817

	Domestic	Commercial	Small power	Large power	Street lighting	Total
P. E. I.	3,980	922	164	29	7	5,102
N. S.	45,252	8,687	1,657	103	86	55,785
N. B.	33,964	5,670	1,054	125	64	40,877
Que.	375,764	70,149	10,018	2,401	682	459,014
Ont.	579,721	89,777	2,606	15,279	523	687,906
Man.	71,324	16,055	2,638	2,262	80	92,359
Sask.	44,078	15,321	2,669	79	279	62,426
Alta.	56,890	15,907	3,603	370	174	76,944
B. C.	125,748	22,146	1,504	2,935	71	152,404
Total	1,336,721	244,634	25,913	23,583	1,966	1,632,817

DOMESTIC USERS OF ELECTRIC POWER

	Number of customers	Annual kw.h. consumption	Annual average kw.h. consumption
P. E. I.	3,980	1,343,000	340
N. S.	45,252	19,120,000	422
N. B.	33,964	17,676,000	520
Que.	375,764	223,671,000	606
Ont.	579,721	868,072,000	1,500
Man.	71,234	257,482,000	360
Sask.	44,078	35,523,000	805
Alta.	56,890	30,196,000	530
B. C.	125,748	110,621,000	870
Canada	1,336,721	1,563,704,000	1,170

COMMERCIAL USERS OF ELECTRIC POWER

	Number of customers	Annual kw.h. consumption	Annual average kw.h. consumption
P. E. I.	922	899,000	975
N. S.	8,687	12,921,000	1,490
N. B.	5,670	11,991,000	2,110
Que.	70,149	165,476,000	2,320
Ont.	89,777	378,406,000	4,200
Man.	16,055	76,023,000	4,750
Sask.	15,321	19,279,000	1,255
Alta.	15,907	22,864,000	1,430
B. C.	22,146	75,366,000	3,380
Canada	244,634	763,225,000	3,125

SMALL USERS OF POWER

	Number of customers	Annual kw.h. consumption	Annual average kw.h. consumption
P. E. I.	164	648,000	3,960
N. S.	1,657	15,664,000	9,450
N. B.	1,054	5,359,000	5,100
Que.	10,018	145,285,000	14,500
Ont.	2,606	....	....
Man.	2,638	50,417,000	19,200
Sask.	2,669	18,235,000	6,850
Alta.	3,603	14,769,000	4,100
B. C.	1,504	5,317,000	3,520
Canada	25,913	255,694,000	9,850

*Not segregated. Large power customers for Ontario include both large and small customers of municipalities served by Ontario Hydro.

LARGE USERS OF POWER

	Number of customers	Annual kw.h. consumption	Annual average kw.h. consumption
P. E. I.	29	623,000	21,400
N. S.	103	258,940,000	252,000
N. B.	125	401,144,000	328,000
Que.	2,401	8,932,986,000	3,700,000
Ont.	15,279*	....	....
Man.	2,262	813,203,000	360,000
Sask.	79	80,473,000	1,000,000
Alta.	370	209,001,000	545,000
B. C.	2,935	1,584,465,000	540,000
Canada	23,583	12,280,745,000	542,500

*Not segregated. Large power customers for Ontario include both large and small customers of municipalities served by Ontario Hydro.

MEXICO TRAMWAYS AND POWER GROUP

Revolution, Rebellion, War, Internal Discord, Bad Business and Heavy Taxes Have for Two Decades Been Survived by This System

Mexico Tramways Company and subsidiaries showed a deficit of $896,792 for the calendar year 1933 as compared with deficit of $913,998, for 1932. In the same period the Mexican Light and Power Company and subsidiaries, the associated group, showed net earnings of $3,226,495 in 1933 as compared with $3,458,755, a decline of 6.2 per cent. In addition to the influence of the depression, heavy increases in taxation have been imposed under recent legislation in Mexico, seriously affecting the earnings of the company.

Toward the end of 1933 President Abelardo Rodriguez of Mexico requested the Congress to give him power for the formation of a Federal Electricity Commission to organize a national system to generate and distribute power. The effect on the company can only be disclosed by the working out of the policy finally adopted.

Mexico Tramways Company, which was incorporated under Do- which was incorporated under Do- Electric Tramways System in and about Mexico City through its wholly owned subsidiaries, the Mexico Electric Tramways, and Cia de los Ferrocarriles del Distrito Federal. The company has also a controlling interest in the Mexican Light and Power Company which operates the lighting and power system in Mexico City and the Federal District of Mexico. The company has the exclusive right until 1982 to operate on the streets of Mexico and the power to extend lines to the suburban towns of San Angel, Guadalupe, Tacuba, Xochimilco.

Lower Earnings Obtained

Lower earnings of the company as a result of business depression have in recent years been accentuated by competition from motor omnibuses and jitneys and by labor disputes in 1932 as well. First, revolution, then the Great War, then intensely nationalistic governments with radical ideas and then competition from motor cars and jitneys have prevented this company realizing its early expectations. There is as well a deficiency of working capital of more than $1,000,000. Its total investment is shown at $48,000,000, taking tangibles into account only, and from this have to be deducted current liabilities of nearly $4,000,000 and funded indebtedness of about $28,000,000.

Power Co. Fights Well

Although Mexican Light and Power Company has also had heavy increases in taxes in Mexico and a drop in earnings valued in Canadian dollars because of the fall in value of the Mexican peso, it was nevertheless able after reorganization in 1927 to pay dividends on preferred and second preferred up into 1931. It has a strong working capital position and even in 1932 earned its bond interest 1.25 times after depreciation and showed $3.35 a share on 1st preferred as well.

Its consolidated balance sheet shows tangibles of about $81,000,000 against which stand current liabilities of $1,714,953 and funded debt of nearly $50,000,000. The companies are well managed and it is only the disturbed political and economic conditions which have obtained for so long in Mexico that have prevented and may still prevent for a while at least realizing of the early expectations.

MEXICAN LIGHT & POWER CO.

Capitalization—	Authorized	Outstanding
Stock, par $100	$30,000,000	$20,777,000
Funded Debt—		
5% gen. consol. 1st mtge. bonds, due 1963	20,000,000	10,298,000
6% mtge. bonds, due 1966	15,329,999	7,112,633
5% Mexico Elec. Tram. A deb.	1,946,666	1,293,560
5% second charge deb. B	2,433,333	*1,562,200

8% Cia. le los Ferrocarriles del Distrito Federal, 2nd mtge. debs., due 1959, outstanding †$2,000,000.

†All owned by the Mexico Electric Tramways.
*All owned by Mexico Tramways Co.

Dividend Record—None paid since 1913.
Head Office—Toronto.
Officers and Directors—
Officers—Miller Lash, chm.; G. R. G. Conway, pres. and man. dir.; R. C. Brown, vice-pres.; H. M. Hubbard vice-pres.; Walter Gow, vice-pres.; W. H. Fraser, gen. mgr.; R. H. Merry, sec.; P. Mendez y Mendez, J. S. Holmested, W. D. Hooper, asst. sec.
Directors—Miller Lash, chm.; R. C. Brown, Walter Gow, Rt. Hon. Sir Thomas White, E. R. Wood, Toronto, Ont.; G. R. G. Conway, Luis Riba, Mexico City, Mex.; A. W. K. Billings, Rio de Janeiro; H. Malcolm Hubbard, R. O. McMurtry, W. D. Dawes, London, Eng.; Vicomte Gaston de Breteuil, Paris, France; Henri Speciael, D. N. Heineman, Marcel Rongé, Brussels, Belgium; Francisco de A. Cambo y Batlle, Barcelona, Spain.

Earnings— Twelve Mos. Ended December 31:	1933 $	1932 $	Increase $
Gr. earn.‡	2,698,420	2,970,168	*271,748
Oper. exps. & deprec.	3,595,212	3,884,166	288,954
Net earn.	†896,792	†913,998	17,206

‡In Canadian dollars.
†Deficit. *Decrease.

MEXICO TRAMWAYS CO.

Capitalization—	Authorized	Outstanding
Common, No par value.	250,000 sh.	135,850 sh.
2nd pfd. 4% cum., Par $5.	$5,700,000	$5,700,000
Pref. cum. 7%, Par $100.	6,000,000	6,000,000
Funded Debt—		
1st gold sink. fund 5%, due 1940	12,000,000	10,511,500
2nd mtge. 5% bonds due 1968	14,600,000	14,600,000
6% inc. bonds*	11,775,859	11,129,000
Ten-year unsecur. non-int. bearing notes, due 1937	3,532,758	1,122,758
Gen. unsecured 7½% bonds	5,000,000	3,500,000
Companies controlled by the company:		
Mexican Elec. Light, 5% first mtge. bonds, due 1942		†$5,088,600
Pachuca Lt. & Pwr. 5% first mtge. bonds, due 1967		†$3,893,333

*All owned by parent company.
†Guaranteed by parent company.

Dividend Record—
Preference—7 per cent per annum, cumulative, payable May and Nov. 1. Paid to and including May 1, 1931; none since; Second Preference—4 per cent per annum, cumulative, payable May and Nov. 1. Paid to and including May 1, 1931; none since. Ordinary—None paid since 1913.
Head Office—Toronto.
Officers and Directors—
Officers—Miller Lash, chm., G. R. G. Conway, pres. and man. dir.; H. M. Hubbard, R. C. Brown, W. Gow, vice-pres.; W. H. Fraser gen. mgr.; R. H. Merry, sec., Toronto; P. Mendez y Mendez, J. S. Holmested, W. D. Hooper, asst. secretaries.
Directors—Miller Lash, R. C. Brown, E. R. Wood, Rt. Hon. Sir T. White, W. Gow, C. D. Magee, Toronto; H. M. Hubbard, A. P. Holt, R. O. McMurtry, London, Eng.; G. R. G. Conway, Mexico City, Mex.; A. W. K. Billings, Rio de Janeiro; Henri Speciael, D. N. Heineman, Brussels; Francisco de A. Cambo y Batlle Barcelona.
Bondholders' Committee—H. M. Hubbard, chm.; G. C. Cassels, H. F. Chamen, R. Fleming, A. P. Holt, Sir A. Roger, Henri Speciael.

Times Bond Interest Earned:	1932	1931	1930
After deprec., etc.	1.25	1.51	1.77

Earnings per Share and Dividend Record:	1932	1931	1930
First pref.: Earned	$3.35	$8.49	$19.42
Paid	nil	3.50	7.00
2nd pref.: Earned	*nil	*0.079	0.65
Paid	nil	0.10	0.20
Ordinary: Earned	nil	nil	3.81

None paid.
*After full year's first preference dividend.

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common	..	..	..	..	45	35

Twelve Months Ended December 31:	1933 $	1932 $	Decrease $
Gr. earn.	8,740,786	9,475,723	734,937
Oper. exps. & deprec.	5,514,291	6,016,968	502,677
Net earn.	3,226,495	3,458,755	232,260

Power and Public Utility Companies rely on Westinghouse products because the name "Westinghouse" is synonymous with "quality and efficiency in everything electrical". For Generators, Transformers, Circuit Breakers, Switchgear and other electrical apparatus of proven performance, specify Westinghouse.

CANADIAN WESTINGHOUSE COMPANY LIMITED
Hamilton - - - Ontario
Branch Offices and Repair Shops in All Principal Cities

Westinghouse

Power Corp. Group Output Shows Gain

From Our Own Correspondent

MONTREAL. — Combined power output for January of the companies comprising the Power Corp. of Canada group shows an increase over the output for the corresponding month of the previous year. January's total of 159,355,591 kw.h. was 8,482,961 kw.h. over the total for the same month last year. This represents an increase of 5.6 per cent and is the largest comparative increase to be recorded in the past six months.

Comparative figures for January are as follows:

—January—	1934 $	1933 $
Southern Canada	13,764,550	15,102,230
Canada Northern	42,802,250	39,196,190
East Kootenay	7,062,864	4,976,940
B. C. Power	42,690,087	42,807,900
Northern B. C.	923,740	898,070
Winnipeg Electric	16,250,300	15,544,300
Manitoba Power	35,596,000	32,052,000
Northwestern Pow.	265,800	295,000
Total	159,355,591	150,872,630

ST. HYACINTHE GETS POWER AUTHORITY

Municipal System Will be Set Up Under Commission

From Our Own Correspondent

MONTREAL. — St. Hyacinthe has been given the right by the private bills committee of the Quebec Legislature to establish a municipal electric commission, with authority to manufacture and sell electricity for domestic, commercial and industrial purposes.

The commission would have five in the council, two to be chosen outside the council, two from among the aldermen, and the mayor, the latter being an ex-officio member of the body. Members would not draw any salary, but the council would be allowed to provide for expenses made in the exercise of the duties of the commissioners. The chairman would be elected from among the commissioners. Employees would be nominated by the council.

Set Uniform Rates

Three classes of customers would be established, a uniform rate being set for each. A discount of 10 per cent would be granted by the council to clients paying within 10 days after receiving their accounts.

A clause which would impose a surtax on bordering property owners to defray part of the costs of the installation of the electric system was adopted after it was explained that religious or charitable communities would be exempted.

Section W. of Clause No. 464 would have allowed the town to sell electricity to municipalities within a radius of 30 miles. This was suspended, at the request of Premier Taschereau, who claimed that it deserved special study.

Jamaica Public Service Surplus Lower in January

From Our Own Correspondent

MONTREAL.—Jamaica Public Service and subsidiary companies reported a consolidated gross income in January last of $72,238, a gain of nearly $2,000 over that reported for the same month last year. After providing for prior expenses, net earnings in the first month of this year amounted to $29,037 and surplus after all charges $19,593. For January 1933, net earnings totalled $30,796 and surplus after charges, $21,502.

For the twelve months ended January 31, 1934, gross earnings of Jamaica Public Service aggregated $804,097, compared with $787,949 during the previous year. Net earnings totalled $325,348 and surplus after all charges, $211,584. This compares with net earnings of $324,014 and surplus of $212,282 in the fiscal year 1931.

All earnings figures have been converted from £ Sterling at par of exchange.

Winnipeg Electric Co. Profit Up in January

From Our Own Correspondent

MONTREAL. — Winnipeg Electric Co.'s net income from operations last January totalled $40,916 compared with $38,488 for the same month last year, an increase of $2,427.

Gross earnings of the company were $486,734, as against $497,316 last year, a decrease of $10,582. Operating expenses declined $8,252 to $289,827, while depreciation allowance showed a slight increase at $45,652.

Net earnings from operations last January were $151,254 compared with $153,729 for January 1933, a decrease of $2,475. Allowance for taxes and interest on funded debt showed little change, while interest on bank loans stood at $6,667 compared with $11,426 in January last year, a reduction of $4,758. This saving was responsible for the gain in net operating income.

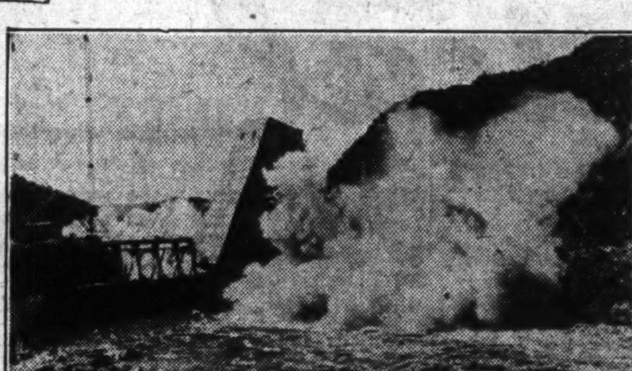
Montreal Coke to Add to Board of Directors

From Our Own Correspondent

MONTREAL.—Montreal Coke and Manufacturing Co., controlled by the Koppers Co. of Delaware and Montreal Light, Heat & Power Cons., has made application to the Quebec Government for an amendment of its charter permitting an increase in the number of directors from seven to nine.

The Romance of Power Development in Canada

. . . from East to West
C-I-L Explosives assist
in lowering power costs.

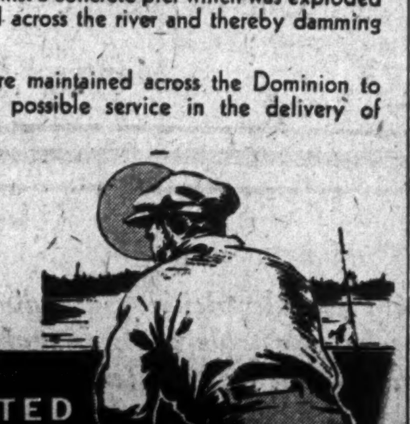


HYDRO-ELECTRIC development, one of the chief natural developments in Canada, may, without exaggeration, be termed one of the romances of engineering. Since its beginning in 1895 it has steadily grown until to-day over *7,045,260 h.p., turbine installation, is being developed in Canada. It is estimated that the total water power throughout the Dominion is about 43,000,000 commercial horse-power at ordinary minimum flow.

The photograph shows the Obelisk at the Chute-a-Caron development on the Saguenay River, Province of Quebec. This Obelisk was built to conform to the bed of the river. It was balanced against a concrete pier which was exploded away, letting it fall across the river and thereby damming it effectually.

C-I-L magazines are maintained across the Dominion to render the fastest possible service in the delivery of C-I-L Explosives.

*Jan. 1st, 1933



CANADIAN INDUSTRIES LIMITED
EXPLOSIVES DIVISION
C-I-L

PLAN CONSOLIDATE TOTAL TAX ARREARS

Some Saskatchewan Municipalities Oppose Scheme—Would Give Local Option

From Our Own Correspondent

REGINA.—A move by the provincial government to give taxpayers power to vote themselves into consolidating tax arrears over a period of years is meeting stiff opposition on part of the municipalities, both rural and urban.

It is estimated that arrears at December 30, 1933 were approximately $50,000,000, for rural and urban municipalities. The rural municipalities have arrears of about $33,000,000, towns and villages about $6,000,000 and the nine cities about $11,000,000. arrears were $45,757,000 at the end of 1932 and roughly $39,000,000 in 1931. Back in 1932, regarded as the close of three bad years, arrears totalled $23,000,000, but recovery was rapid and in about two years a large percentage was cleaned up.

Municipal councils maintain that three or four years of fairly good crops and an average price for wheat would result in better collections for them than if consolidation over a longer period was put in force. Bankers are against consolidation although the portion of arrears that affects them is not as large as many would think. Rural debt to banks is estimated at $8,165,000, urban $3,500,000; a total of $11,665,000 or 22 per cent of the $50,000,000 in arrears.

Rural municipalities are steadily improving their position as regards bank debts. The debt at the end of 1931 was $9,850,000 and at the end of '32, $8,195,000 and it is expected that when 1933 statistics are completed this figure will be reduced perhaps another one half million dollars. Urban districts are finding it difficult to reduce bank loans on account of heavy relief costs.

The consolidation act as it will appear before the legislature will have until June to vote themselves out, by motion of council. If after having voted out, taxpayers present a petition signed by a required number of persons, a plebiscite will be ordered by the government in the affected municipality and a majority vote will reinstate the municipality under the act.

Under the former Consolidation of Arrears of Taxes Act which did not include rights to call a plebiscite but left the matter with the council, 68 of 80 towns, 301 of 396 villages and 274 or 302 rural municipalities voted themselves out. Two cities remained under the act and six voted out.

CONFIDENCE

WITH business today being done at a faster tempo and competition multiplied in every branch of the industry, complete confidence can only be gained and maintained by the strictest attention to the smallest detail.

Rigid control of every process from the ore to the finished product enables us to keep a strict check on every detail of manufacture. Unexcelled equipment and the most modern developments in production methods have enabled us to reach new and even higher standards of quality.

The extreme care and extra expense involved in manufacture are amply compensated by the "confidence" which users of Steel in every form place in the products of the Steel Company of Canada.

STELCO

This trade mark appears on products made by The Steel Company of Canada Limited. Sometimes it is marked on the products themselves, sometimes on packages or wrappings. It is the purchasers' guarantee of quality.

THE STEEL COMPANY OF CANADA, LIMITED
HAMILTON - EXECUTIVE OFFICES - MONTREAL
SALES OFFICES: HALIFAX, ST. JOHN, MONTREAL, TORONTO, HAMILTON, WINNIPEG, VANCOUVER
WORKS: HAMILTON, MONTREAL, TORONTO, BRANTFORD, LONDON, GANANOQUE

BELL TELEPHONE OF CANADA

Transfer of A. T. and T. Loan to Canadian Bankers Features Finances in 1933 — Trend of Operations Moves Upward in Past Few Months

Bell Telephone Co. of Canada's operations have been affected by adverse business conditions. While the number of stations installed has declined substantially from the high point in 1930, withdrawals have dropped to a point where at the end of 1933 new installations were in the majority. At the same time the decline in toll traffic income of the company, one of its principal sources of revenue, has been checked and in the last two months returns have shown an increase over the corresponding period of the previous year.

Both installations and toll traffic, of course, reflect very closely the trend of business conditions. If the improvement noted of late continues, the company is in an excellent position to take advantage of the betterment as it will not be involved in any large capital expenditure to take care of the increased volume of business. This, in turn, would be reflected in a substantial gain in earnings.

Draw on Surplus

Net income available for distribution on the capital stock as a result of last year's operations showed a further shrinkage, with the result that the company had to draw upon surplus to take care of the dividend even though the latter was only $6 a share compared with $7.25 in 1932.

From all sources the gross revenue of the year was $35,695,236, a decrease of 8 per cent from the total of 1932. Local service revenue was $26,955,759, a decrease of 7 per cent compared with the previous year.

Long distance revenue was $7,400,371, a decrease of approximately 8 per cent. Miscellaneous revenues and income from outside investments totalled $1,339,106, a decrease, after certain readjustments, of 27 per cent compared with 1932.

Transfer Large Loan

One of the major developments in connection with the company's finances over the past year was the reduction in loans and the transfer of advances paid by the American Telephone and Telegraph Co. to the company's own bankers in Canada. At the end of 1932 the amount of United States funds owed by the Bell Telephone Co. to the A. T. and T. was $12,245,000. By the end of last year this indebtedness had been reduced to $235,000, which has since been repaid. To effect this result United States funds were purchased from time to time at an average premium cost of 5.84 per cent.

Borrow From Bankers

To aid in financing purchases of United States funds, advances of Canadian funds were obtained from the company's bankers to a maximum amount of $7,000,000, against which the company hypothecated collateral securities in like amount of its first mortgage bonds. At the end of 1933 repayments on account of these loans totalled $350,000, leaving a net indebtedness to the company's bankers of $6,650,000.

No new financing on this account is at present in prospect, nor does the construction programme call for any large capital expenditures. Accordingly, it is unlikely that any public financing will be undertaken by the company during 1934.

While it cannot be said with certainty that the company has passed through the worst of the depression, operating returns of late have been ample justification for the optimistic attitude taken by the company's executives. If this improvement can be maintained the company should have no trouble in meeting dividend requirements of $6 a share on its outstanding capital stock.

Capitalization—

	Authorized	Outstanding
Common	$150,000,000	*$77,082,000
Par $100.		

* Of which 24.3% is held by the American Telephone and Telegraph Co.

Funded Debt—
5% first mortgage bonds, series A, due March 1, 1955, $30,000,000.
5% first mortgage bonds, series B, due 1957, outstanding, $30,000,000.
5% first mortgage bonds, series C, due 1960, $7,500,000.
Notes sold to pension fund trustee, $4,798,702.

Dividend Record—
Common—Present rate 6% per annum, payable quar., Jan., Apr., July, Oct. 15. Rate reduced from 8% to 7% July, 1932, and to 6% Apr. 15, 1933.

Head Office—Montreal.

Officers and Directors—
Officers—C. F. Sise, pres.; J. E. Macpherson, vice-pres.; P. A. McFarlane, vice-pres.; E. Palm, vice-pres. and compt.; W. H. Black, sec.-treas.
Directors—Hon. T. Ahearn, Ottawa, Ont.; W. F. Angus, G. Caverhill, J. E. Macpherson, Lt.-Col. Herbert Molson, A. B. Purvis, C. F. Sise, P. F. Sise, Montreal, P.Q.; Col. The Hon. H. Cockshutt, Brantford, Ont.; C. P. Cooper, W. S. Gifford, New York, N.Y.; K. J. Dunstan, Glyn Osler, Toronto, Ont.; Sir G. Garneau, Quebec, P.Q.; Maj.-Gen. The Hon. S. C. Mewburn, Hamilton, Ont.
Executive Committee—Hon. T. Ahearn, W. F. Angus, G. Caverhill, K. J. Dunstan, J. E. Macpherson, Lieut.-Col. H. Molson, A. B. Purvis, P. F. Sise, C. F. Sise.

Times Bond Interest Earned†:

1933	1932	1931
2.28	2.40	2.72

†After deduction of "other interest," and debt discount and expense.

Earnings per Share and Dividend Record—

Earned*	$5.62	$6.16	$7.56
Paid	6.25	7.25	8.00

* Based on shares outstanding as at December 31.

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common ..	120½	80	120	75	151⅞	11.9

EASTERN TOWNSHIPS TELEPHONE
(Controlled by Bell Telephone Co.)

Capitalization—

	Authorized	Outstanding
Common, n.p.v. .	20,000 shs.	10,554 shs.

Dividend Record—
Common—Present rate 72 cents per share per annum payable semi-annually, April and Oct. 15.

Head Office—Sherbrooke, Que.

Officers and Directors—
Officers—A. C. Skinner, pres.; H. B. Fletcher, vice-pres.; T. J. Harding, gen. mgr. and sec.-treas.
Directors—J. R. Collins, R. Neilson, D. J. Rayside, W. R. Stuart, Montreal; H. B. Fletcher, T. J. Harding, A. C. Skinner, Sherbrooke, Que.; J. W. Quinn, Windsor, Que.; C. L. Jenkins, Rock Island, Que.; W. T. Oughtred,, Marbleton, Que.; D. B. Hopkins, Coaticook, Que.; E. T. McGovern, Richmond, Que.

Earnings per Share and Dividend Record—

	1932	1931	1930
Common: Earned ...	$0.79	$1.08	$1.95
Paid	0.72	0.72	0.68

FARMERS' TELEPHONE CO.
(Controlled by Bell Telephone Co.)

Capitalization— Outstanding
Pref. stock, $100 par ... $99,400

Head Office—Howick, Que.

Officers and Directors—
Officers—James McKell, pres.; G. O. Cameron, vice-pres.; W. F. Welch, gen. man. and sec.-treas.
Directors—G. O. Cameron, W. R. Stuart, R. Neilson, Montreal; *W. Currie, Aubrey, P.Q.; J. Sills, Ormstown, P.Q.; James McKell, John McKell, Riverfield, P.Q.; J. Houston, Howick Station, P.Q.; W. F. Welch, Howick, P.Q.

* Deceased.

Year End. Dec. 31:	1932	1931	1930
Eearnings per Share and Dividend Record—			
Preferred: Earned	$5.88	$6.67	$6.36
Paid	6.00	6.00	6.00

DOM. TELEGRAPH

Fixed Revenue Received from Lines Leased to C. N. R.

Dominion Telegraph Securities is to all intents and purposes, a trust. Its income is limited to the amount of money received from leased lines. Incorporated in 1924, the company acquired properties of the Dominion Telegraph Co. In 1879 these properties had been leased for 99 years to Western Union, and Western Union assigned to Great North Western Telegraph Co. that part of the system which lies west of New Brunswick. The latter now controls part of Canadian National Railways system, which has acknowledged the obligation of the original lease, which calls for an annual rental of $62,500.

This income is sufficient to pay interest on the company's bonds, while miscellaneous investments are sufficient to take care of redemption of bonds outstanding and also to provide a bonus for holders of the bonds at maturity.

Capitalization—

	Authorized	Outstanding
Common	$40,000	$40,000
Par $100.		

Funded Debt—
Sinking fund mtge., 5½% bonds, series "A" and "B," due 1978 .... $1,000,000

Head Office—Toronto.

Officers and Directors—
Sir Henry M. Pellatt, pres.; L. E. Macrae, 1st vice-pres.; Aemilius Jarvis, 2nd vice-pres.; A. W. Hodgetts, sec.-treas.; Col. Reginald Pellatt; all of Toronto.

Montreal Telegraph

Little or no change has taken place in the position of Montreal Telegraph Co., whose properties are operated and maintained by the Great Northwestern Telegraph Co. of Canada, now part of Canadian National Telegraph System. The lessee pays an annual rental on these properties of $165,000, which sum also is guaranteed by the Western Union Telegraph Co. This is sufficient to pay regular dividends of 8 per cent on the company's capital, less the Canadian Government income tax.

Capitalization—

	Authorized	Outstanding
Common 8%	$2,000,000	$2,000,000
Shares, $40 each.		

Dividend Record—
Common—8 per cent per annum, less Canadian Government income tax payable quarterly, Jan., April, July and Oct. 15. Dividends guaranteed by Western Union Telegraph Co.

Head Office—Montreal.

Officers and Directors—
Officers—H. E. Rawlings, pres.; J. B. Paterson, vice-pres.; M. P. Domville, sec.-treas.
Directors—H. E. Rawlings, J. B. Paterson, C. F. Sise, G. F. Benson and Lt.-Col. W. Leggat, all of Montreal.

INCOME STATEMENT
Years Ended December 31

	1933 $	1932 $
Revenue:		
G.N.W. Tel. Co.	165,000	165,000
Revenue from invests.	3,129	3,527
	168,129	168,527
Expenses:		
Dividends	140,000	141,000
Income tax reserve ..	20,000	19,000
Adminis. expense	5,892	5,651
Surplus for year	2,237	2,876

Market Record—

	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Common ...	50	39	47	39¾	60	48

Public Utility Investments

Bonds of many well-established public utility companies are presently obtainable on a yield basis which, in view of the trend towards lower interest rates, is attractive.

Write for a copy of our current offering list, which includes a number of such issues.

Royal Securities Corporation
Limited

244 St. James Street, MONTREAL — 330 Bay Street, TORONTO 2

Halifax Saint John Quebec Ottawa Winnipeg Vancouver
Charlottetown Hamilton Calgary New York London, Eng.

MAR. TELEPHONE

Sale of Bonds Clears Up Loans — Recent Trend Favorable

Operating economies enabled Maritime Telegraph and Telephone Co. to cover all charges in 1933 while the sale of $500,000 of general refunding bonds cleared up bank advances and bills payable, and generally strengthened the working capital position.

Telephones in service last year showed a decrease, installations at the end of 1933 totalling 37,868 compared with 39,040 at the close of the previous year.

Operating revenue at $1,680,308 represents a decline of $79,501 from 1932. This loss was distributed as follows: Three fourths to exchange service revenue and one fourth to long distance revenue.

Recent Trend Favorable

The loss in toll traffic revenue up to the end of July was $33,000. The last five months of the year revenue from this source registered a gain over the same period of 1932, reducing the loss to $20,000 at the end of the year.

Since the middle of the year, the situation in respect to stations installed and revenue therefrom has been on a more satisfacory basis and expectations are that a gain will be reported for 1934.

Clear Up Liabilities

At the end of 1932, the company owed the Canadian Bank of Commerce $372,739 and had outstanding notes payable amounting to $300,000. Through the sale of $500,000 of long term bonds, proceeds were used, in part, to clear off these liabilities. At present funded debt totals $3,000,000 while the capital stock outstanding remains the same as a year ago.

Extend Rural Service

During the current year the company does not anticipate any major capital expenditures. Work will be carried out, however, in extending the company's rural telephone system. For some time past, Maritime Telephone has been giving consideration to the service rendered to small communities. By its very nature, such service cannot be of the same high stadards as that given in the larger urban exchanges. The principal difficulty has been the lack of continuous service, most of these small offices being closed early in the evening. The management of Maritime Telephone are of the opinion that it is the company's duty to supply continuous service wherever it is reasonably possible to do so and to that end have been able, by cooperation with the manufacturers, to devise a type of automatic equipment which can be economically used in a good many of the smaller exchanges. The task of installing this new equipment will be pushed forward aggressively during the current year.

Capitalization—

	Authorized	Outstanding
Preferred, 7%	$7,500,000	$1,500,000
Common	......	3,595,760
Par $10.		

Funded Debt—
First mortgage 6 per cent bonds, due 1941, outstanding $1,500,000.
Refunding bonds, series A, 5 per cent, due 1956, outstanding $1,500,000.

Dividend Record—
Preferred—7 per cent per annum, payable Jan., April, July and Oct. 1; paid regularly.
Common—6 per cent per annum, payable March, June, Sept. and Dec. 31; paid regularly since initial payment at that rate on Apr. 1, 1933; former rate had been 8 per cent.

Head Office—Halifax.

Officers and Directors—
Officers—O. E. Smith, pres.; J. H. Winfield, vice-pres. and man. dir.; C. A. B. Bullock, compt.; T. N. Goudge, sec.-treas.
Directors—O. E. Smith, E. L. MacDonald, A. MacKinlay, C. H. Mitchell, G. F. Pearson, J. H. Winfield, Halifax; J. E. MacPherson, C. F. Sise, Montreal; A. J. Campbell, Truro; George Killam, Yarmouth; James McConnell, Sydney; J. W. McLeod, New Glasgow.

Years End. Dec. 31:	1933	1932	1931
Times Int. Earn.*	3.12	2.40	2.79

*After rent, miscellaneous deductions and other interest.

Earnings per Share & Div. Record:

7% Pref.:			
Earned	$2.08	$1.24	$1.57
Paid	0.70	0.70	0.70
Common:			
Earned	0.58	0.23	0.37
Paid	0.60	0.80	0.80

AVALON 'PHONE

Maintenance of Revenue is Expected for 1933

Business conditions in Newfoundland last year were not as favorable as in Canada, with the result that the Avalon Telephone Co. is understood to have been unable to make any marked improvement in its position. During 1932, the company experienced a loss of slightly better than 200 telephones installed. At the beginning of last year, it appeared that the loss had been checked, and while figures for 1933 are not yet available, expectations are that installations at the end of the past year will compare favorably with those reported in 1932. No material change is expected in the financial statement for last year.

Small Deficit in 1932

In 1932 the company earned $241,860. After providing for all prior charges, net profits were equivalent to $1.64 a share on the common stock, on which dividend of $1.75 were paid, reaulting in a small deficit of $993 for the year.

Since the reorganization of the Island's Government, an increase in confidence has been shown in securities of the companies operating in that country. This confidence has been reflected in a rising value for the securities of Avalon Telephone.

Capitalization—

	Authorized	Outstanding
Common	$300,000	$236,350
Pref. non-cum. 7%	400,000	400,000
Par $25.		

Funded Debt—
First mortgage bonds, series A, 5½ per cent, due 1948, $742,000.

Dividend Record—
Preference—Seven per cent, payable half-yearly, Jan. and July 1.
Common—Dividends have been paid as follows: 2% in 1922; 4% in 1923; 5% in 1928; 6% in 1929 and 7% in 1930-1933.

Head Office—St. John's, Newfoundland.

Officers and Directors—
Officers—Hon. J. J. Murphy, pres.; R. J. Murphy vice-pres. and man. dir.; J. D. Cameron, sec.-treas.; J. Healy, supt.
Directors—Hon. J. J. Murphy, R. J. Murphy, J. D. Cameron, G. Browarigg, M. E. Martin, Hon. A. E. Hickman, St. John's Newfoundland; J. H. Winfield, Halifax, N.S.

Times Bond Interest Earned:

	1932	1931	1930
Before deprec.	3.00	3.18	3.81
After deprec.	2.27	2.16	2.49

Earnings per Share and Dividend Record:

Pref.: Earned	$5.07	$3.00	$3.00
Paid	1.75	1.75	1.75
Com.: Earned	2.28	2.12	2.11
Paid	1.75	1.75	1.75

Exports of Power Advance Sharply

From Our Own Correspondent

Exports of electrical energy from Canada to the United States in 1933 were just short of 1,000,000,000 kw.h. Returns compiled by the Dominion Bureau of Statistics show that the central electric stations exported 989,358,000 kw.h. last year. This compares with 659,901,000 kw.h. in 1932.

In the years preceding 1932, the exports of energy from Canada to the United States had been on an ascending scale. The industrial depression in that country, however, had its effect on demand for energy. From November 1931 until April 1933, monthly exports were at a very low point. Commencing with June last, exports picked up sharply and by the end of the year were back on a basis comparing favorably with 1930.

QUEBEC 'PHONE

Conditions in Area Have Bearing Upon Earning Power

Financial statement of the Quebec Telephone and Power Co., operating in the Lower St. Lawrence district, will not be available until some time in April. It is anticipated, however, that the income account will not show an appreciable change in revenue from that reported in 1932, when income was barely sufficient to take care of depreciation charges, interest and bond discount.

Quebec Telephone controls a number of small telephone companies below Quebec City, its system interconnecting with the Bell Telephone Co. on the West and with the New Brunswick Telephone Co. on the east, as well as other independent organizations. Properties comprise nine subsidiary units operating nearly 3,000 miles of line. At the end of 1932, the company had installed approximately 4,350 stations.

Need Working Capital

Owing to the unfavorable state of affairs in the financial markets, the company has been unable to complete its financial programme. Attempts were made in 1932 to sell $300,000 of collateral trust bonds to shareholders, but this scheme fell through as the majority of the shareholders did not subscribe for the bonds pro rata with their holdings of stock. Consequently the working capital position of the company is not altogether favorable but this situation can be corrected when the market is stronger and the company able to sell its bonds.

Capitalization—

	Authorized	Issued
Class A	50,000 shs.	36,286 shs.
Class B	50,000 shs.	35,196 shs.
No par value.		

Funded Debt—
First lien coll.-trust bonds, series B, due 1952; outstanding Dec. 31, 1932, $128,100. Company's subsidiary, La Compagnie de Téléphone Nationale, also at that date had outstanding $117,300 6½ per cent bonds, due 1939.

Dividend Record—
Last paid 20c. Jan. 2, 1931.

Head Office—Rimouski, Que.
General Office—Quebec, Que.
Officers — J. A. Brilant, pres.; E. Beaubien, vice-pres.; P. E. Gagnon, sec.
Directors—J. A. Brilant, P. E. Gagnon, E. C. A. Couillard, Rimouski, Que.; E. Beaubien, Quebec, Que.; J. A. Desjardins, Matane, Que.; J. M. Robinson, Saint John, N.B.; N. A. Timmins, Montreal.

Times All Interest Earned:

Before deprec.	2.50	3.08	3.46
After deprec.	1.12	1.43	2.29

Earnings per Share and Dividend Record:

	1932	1931	1930
Cl. A. Earned	Nil	$0.90	$1.17
Paid	...	0.80	1.60

Cl. B: None earned or paid.

N. B. TELEPHONE

No New Financing to be Undertaken in Near Future

New Brunswick Telephone Co., control of which is understood to rest with the Bell Telephone Co. of Canada, reported a net income in 1933 slightly under dividend requirements. At the same time, however, the company was able to reduce bills payable by over $100,000, with the result that the directors have decided not to take action at present with regard to the proposed debenture issue.

During the first nine months of last year's operations, both volume of traffic and profits registered a shrinkage, but in the last quarter of the year there was a definite improvement, with toll traffic better and a smaller loss in telephones installed.

Pay Smaller Dividend

For the full year gross revenue amounted to $1,243,672 compared with $1,318,350 for 1932. Net earnings available for dividends totalled $263,884 as against $305,916 in the previous year. After making provision for dividends, there was a deficit of $610, which would have been larger had it not been for a reduction in the amount of dividends paid on the capital stock from $303,933 to $264,274.

New Brunswick Telephone operates in the province of the same name, a system connecting on the east with Maritime Telegraph and Telephone, and on the west with the Bell Telephone Co. of Canada.

Nearly 35,000 stations are in operation, of which half are resident and rural and the remainder business telephones. In recent years, new toll lines have been erected, additional exchanges opened or enlarged, and new equipment installed.

Capitalization—

	Authorized	Outstanding
Common, 8% ...	$6,000,000	$5,285,880
Par $10.		

Dividend Record—
Common—Present rate 5 per cent per annum, payable Jan., April, July and Oct. 15; reduced from 8 per cent to 6 per cent, April, 1932, and to 5 per cent, Jan., 1933.

Head Office—Fredericton, N.B.
Executive Office—Saint John, N.B.
Officers—Hon. F. B. Black, pres.; J. E. Macpherson, H. P. Robinson, vice-pres.; N. E. Moore, sec.-treas.; O. J. Fraser, gen. mgr.
Directors—W. C. Allison, Dr. A. P. Barnhill, *H. P. Robinson, J. M. Robinson, Saint John, N.B.; *Hon. F. B. Black, Sackville, N.B.; R. B. Hanson, Fredericton, N.B.; E. W. Mair, Woodstock, N.B.; *J. E. Macpherson, Montreal; Harry O'Leary, Richibucto, N.B.; *F. R. Sumner, Moncton, N.B.; N. M. Mills, St. Stephen, N.B.; G. P. Burchill, South Nelson, N.B.; W. J. Kent, Bathurst, Hon. G. B. Jones, Apohaqui, J. E. Michaud, Edmundston.

*Members of executive committee.

Earnings per Share and Dividend Record:

Years End. Dec. 31:	1933	1932	1931
Earned	$0.49	$0.58	$0.63
Paid	0.50	0.57½	0.80

B. C. TELEPHONE

Station Loss Smaller and Revenues Maintained on Fair Basis

British Columbia Telephone Co. experienced considerably smaller decline in business in 1933 than in 1932.

At the end of last year the company had in service 105,081 telephones, a decline of only 3,830 stations from that reported in 1932. On a percentage basis, this was a loss of 3.52 per cent, whereas the loss in the previous year amounted to 6.44 per cent. The reduction in toll revenue was also on a decreasing ratio, amounting to slightly over 6 per cent as against an 18 per cent loss in 1932.

Loss in stations and reduction in toll service revenue was not reflected in full in the income account, which showed a gross revenue for the year of $4,479,079. This compares with $4,749,156 in the previous year.

National Telephone Controls

Public investment interest in the company is largely confined to the preferred and bonds. Practically all of the common is owned by the National Telephone and Telegraph Co., which in turn is controlled by Associated Telephone and Telegraph.

During the past month the company made application to the B. C. Legislature for the right to increase its present capitalization of $10,000,000 to $25,000,000. This has been opposed by numerous municipalities on the ground that it will probably result, if granted, in an increase of telephone rates.

Capitalization—

	Authorized	Outstanding
Ordinary	$4,500,000	$4,500,000
Prefce. 6% cum..	1,000,000	1,000,000
Prefd. 6% cum..	4,500,000	4,500,000

* Par $100.
The National Telephone and Telegraph Corp. owns 44,818 of the ordinary shares.

Funded Debt—
1st mtge. 5% bonds, series A, due 1960, $10,000,000.

Dividend Record—
Preference—6 per cent per annum, cumulative and payable Jan., April, July and and Oct. 1. Paid regularly.
Preferred—6 per cent per annum, cumulative and payable Feb., May, Aug., Nov. 1. Paid regularly.
Ordinary—7 per cent per annum, payable Jan., April, July and Oct. 1.

Head Office—Vancouver.

Officers and Directors—
Officers—H. L. Gary, chm.; G. Farrell, pres. and treas.; W. C. Pitfield, vice-pres.
Directors—H. L. Gary, Chicago, Ill.; G. Farrell, L. G. McPhillips, Vancouver; W. C. Pitfield, A. G. Lawson, Montreal; L. E. Durham, A. F. Adams, Chicago; Hon. G. H. Ferguson, Victoria; P. W. Evans, San Marino, Calif.

Times Bond or Deb. Int. Earned:

	1933	1932	1931
Before deprec.	3.79	3.81	4.22
After deprec.	2.22	2.21	2.30
Earn. per Share and Div. Record:			
Pref.: Earned	$63.54	$63.66	$68.68
Paid	6.00	6.00	6.00
Pref.: Earned	12.78	12.82	13.93
Paid	6.00	6.00	6.00
Ordinary: Earned ..	6.78	6.82	7.93
Paid	7.25	7.25	8.00

U. K. BACON QUOTA REDUCES IMPORTS

Denmark, Poland, Netherlands Chief Losers — Canada Has Chief Gain

Denmark, Poland and the Netherlands are shown to be the chief losers from the quota agreement which enabled Canada to obtain a large volume of bacon trade in the United Kingdom, although the fact that total imports of bacon into Great Britain in 1933 showed a reduction of 20 per cent compared with each of the two preceding years is partly responsible for the large decline in imports from foreign countries. Imports from foreign countries were 24 per cent less than in 1932, as compared with a 20 per cent reduction in the total.

Denmark remained by far the principal source of imported bacon during 1933, but supplies from that country were reduced by 28 per cent. Danish bacon accounted for 61 per cent of the total imports during 1933 as against 67 per cent in 1932.

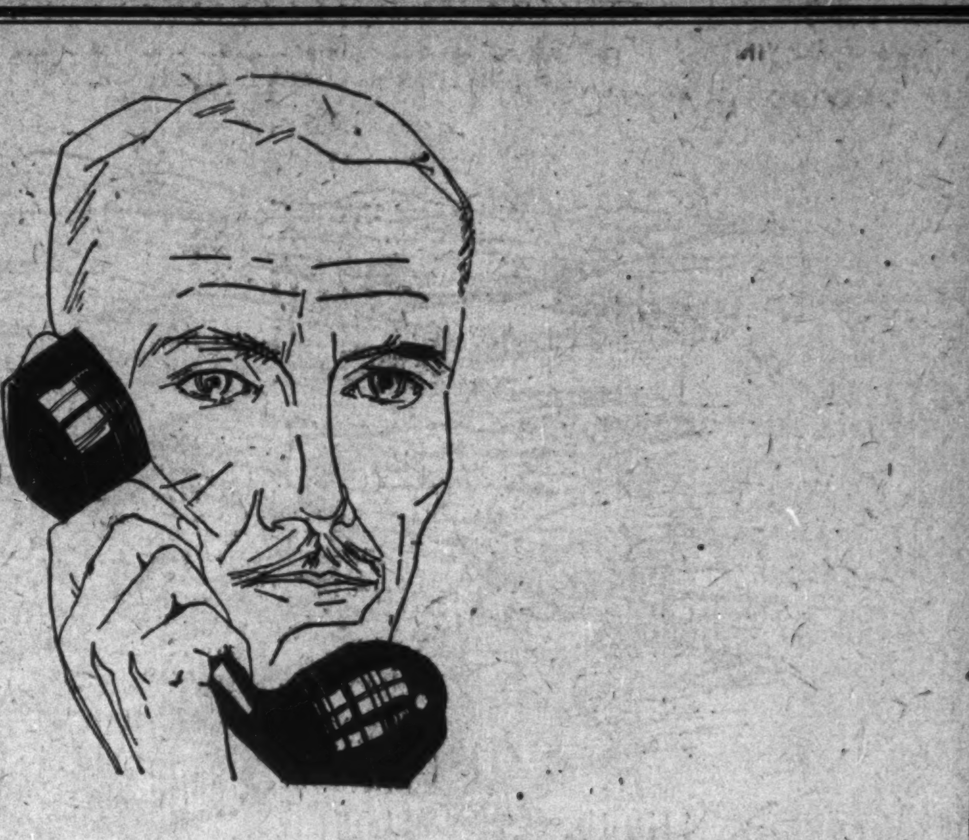
The Netherlands displaced Poland as the second largest source, imports from these countries being reduced by nine per cent and 31 per cent, respectively.

Pig numbers in exporting countries declined in the past year. By the end of 1933 government control of pig production was enforced in many of the chief exporting countries.

Chief sources of bacon imported into the United Kingdom are shown in the following table:

Imports of Bacon into U. K.
(Figures in cwts.)

	1933	1932
Irish Free State	204,303	200,095
Canada	506,113	181,580
Denmark	5,524,497	7,670,249
Netherlands	871,950	975,573
Poland	783,758	1,135,389
Lithuania	416,526	512,007
Sweden	402,634	429,670
U. S. A.	62,931	63,807
Argentine	42,580	39,644
All countries	9,084,933	11,390,839



NEW VISTAS

The mountains, the deep inlets, and the long stretches of uninhabited country, which give to British Columbia her special glory, stood in the way of giving telephone connection to some of the out-of-the-way places in the Province.

Radio developed until it seemed to offer a solution to this problem, and the British Columbia Telephone Company, through its affiliate, the North-west Telephone Company, entered the new field. Its pioneering work in the realm of radiotelephony won attention from other parts of North America and led, finally, to radio links being established to work in conjunction with existing telephone lines.

As a result of these developments, it is now possible for southern British Columbia to talk to Ocean Falls, Prince Rupert, Anyox, Stewart, Alice Arm, Premier Mine, Prince George, Claydon Bay and Flathead Valley.

British Columbia Telephone Co.

. . . Manufacturers of:

• Telephones & Equipment
Manual Telephone Systems
Automatic Telephone Systems
Interphone Systems
Carrier Telephone Systems
Carrier Telegraph Systems
Telephone Sets
Telephone Apparatus

• Radios & Radio Equipment
Broadcasting Equipment
Public Address Systems
Music Reproducing Systems
Radio Receiving Sets
Industrial Sound Picture Equipment
Theatre Sound Equipment
Point-to-Point Communication Systems
Aircraft Radio Equipment
Audiphones (Hearing Aids)

• Wires & Cables
Bare Copper Wire & Cable
Brass, Bronze & Cadmium Copper Wire
Weatherproof Wire & Cable
Rubber Insulated and Braided Code Wire
Armoured Cables of all Types
Lead Covered Power Cables of all Types
Lead Covered Telephone & Telegraph Cables
Braided Telephone, Telegraph & Power Cables
Magnet Wire, Annunciator Wire, Bell Cord, etc.
Radio Wires, Flexible Cords of all Types

• Signalling Equipment
Fire Alarm Systems
Police Signal Systems
Traffic Signal Systems
Police Radio Systems
General Alarm Systems

. . . Distributors of:

• Appliances
Washers, Ranges, Refrigerators, Vacuum Cleaners, Heaters

• Electrical Supplies
Wiring Devices, Switch & Outlet Boxes, Conduit & Fittings, Fuses & Switches, Lamps, Panel Boards

• Illuminating Equipment
Floodlights, Household Lighting Fixtures, Benjamin Reflectors, Street Lighting Equipment, Lighting Glassware, Hollophane Light Directors, Commercial Lighting Fixtures

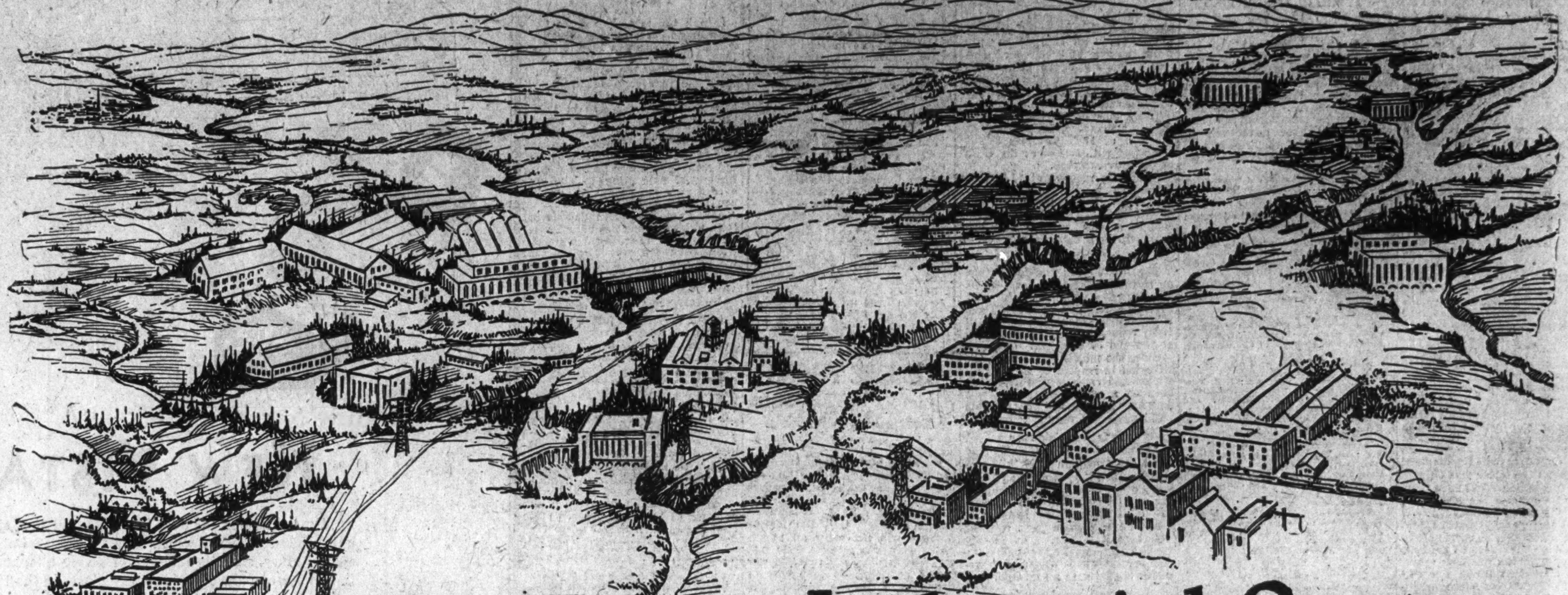
• Overhead & Underground Line Materials
Pole Line Hardware, Wood Poles & Cross Arms, Tools, Insulators, Fibre & Clay Conduit, Guy Wire

• Power Apparatus
Condit Oil Circuit Breakers
Cutler-Hammer Control Apparatus
E.E.E. Disconnects, Switchboard & Protective Fittings
Ferranti Transformers & Surge Absorbers
G. & W. Electric Specialties
Hewittic Mercury Arc Rectifiers
Igranic Control Apparatus
Ilg Ventilating Equipment
J. P. Tubular Electric Heating Systems
Lincoln Motors
Mather & Platt Motors, Generators & Pumps
Megger Test Sets
Power Switch Boards
Reyrolle Switchgear & Oil Circuit Breakers
Sangamo Meters
Slater Cutouts & Disconnects
T.C.C. Static Condensers
Weston Instruments

. . . Installers of:

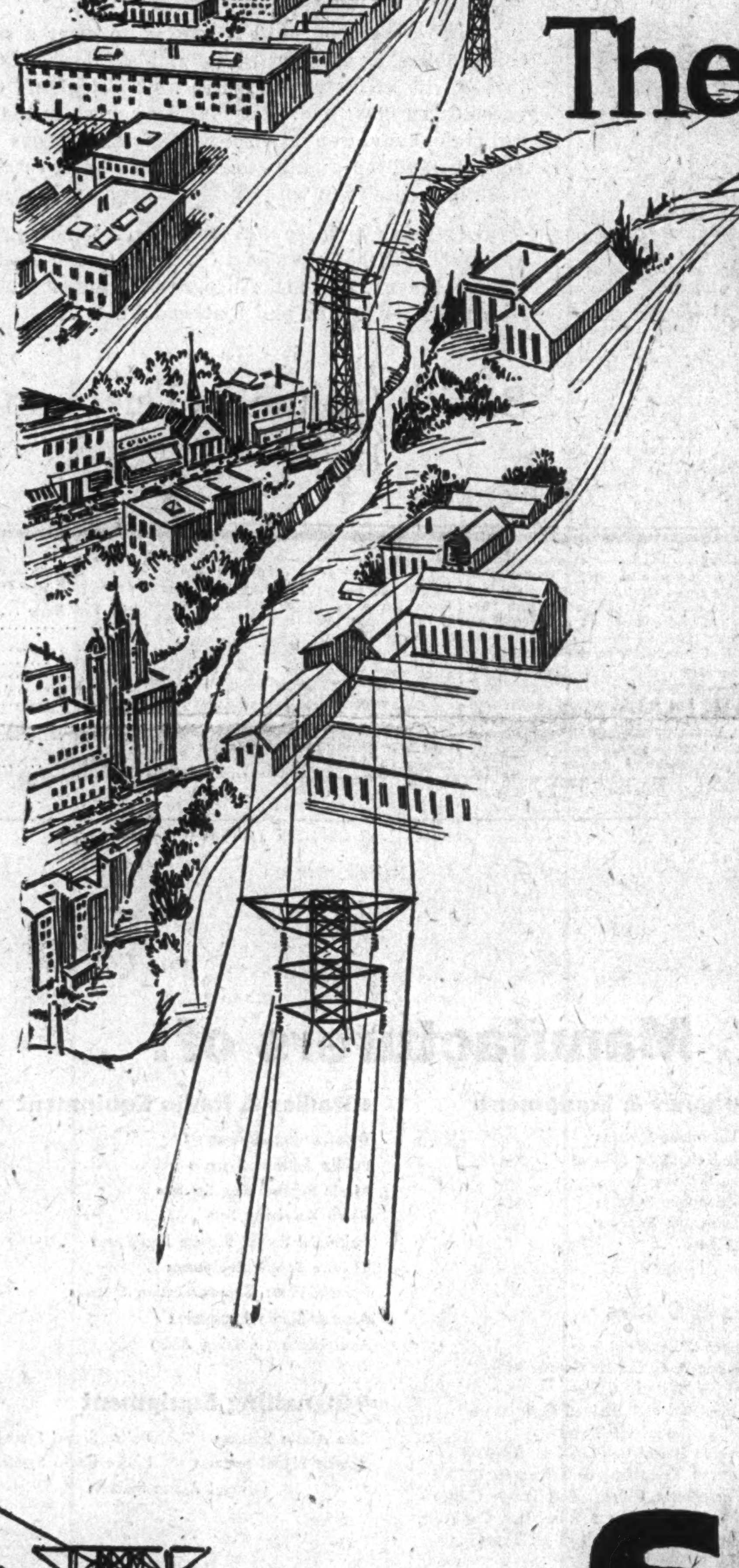
• Telephone Equipment • Radio Equipment • Signal Equipment
• Telephone, Telegraph & Power Cables • Street & Bridge Lighting Systems

Northern Electric Company Limited
A NATIONAL ELECTRICAL SERVICE



The Future Industrial Center

QUEBEC!



THE wise manufacturer recognizes that the world trade map is being reshaped. As a result of the agreements reached at the Imperial Economic Conference at Ottawa, Canada has attained a new importance in the distribution of exports from the North American Continent to the rest of the British Empire.

•

The Province of Quebec, with the St. Lawrence River as a highway to the sea, is the natural gateway through which this commerce passes to Empire nations, representing one-fourth the area of the globe and containing a fourth of the world's population. Montreal, the metropolis of Canada, is the transportation center of the Dominion, the headquarters of the two great railway systems, and is exceeded only by New York, in volume of exports, on the American continent. It is the home of Canada's largest banks and insurance companies.

•

Industrially and geographically, the Province of Quebec has much to offer to the manufacturer interested in enlarging his export market. Here are three factors essential to success — ideal transportation, dependable labor, and an unfailing supply of hydro-electric power at favorable rates. By establishing branches here, many American industries are finding their way to new and richer markets.

•

Contacts which have been formed with many industrial concerns, both in Great Britain and throughout the United States, give cause to believe that, as conditions improve, the splendid facilities offered to industry in the Province of Quebec will be more and more appreciated and that this province will see an industrial expansion in keeping with her advantageous conditions.

•

Service to industry has been the keynote of the success of The Shawinigan Water and Power Company. The company will gladly provide complete information to manufacturers considering the establishment of plants in Canada. There is no charge or obligation. This information will include labor schedules, available sites, transportation accommodations, power rates and the answers to all the questions which arise in connection with such a project.

SHAWINIGAN POWER

The SHAWINIGAN WATER & POWER CO MONTREAL CANADA